Daily Report

Latin America

FBIS-LAT-92-024
Wednesday
5 February 1992

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FBIS-LAT-92-024 *5 February 1992*

CONTENTS

NOTICE TO READERS: An • indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

Latin American Presidents Support Perez *[La Paz Radio]* 1
OAS Meeting To Be Requested *[Madrid EFE]* 1
Rio Group Condemns Attempted Coup in Venezuela *[Buenos Aires TELAM]* 1
More on Central American, Caricom Meeting *[LA PRENSA 31 Jan]* 2

CARIBBEAN

Cuba

Castro Sends Message to Venezuela's Perez *[Havana Radio]* 3
Fernandez Meets With Iran's Hashemi-Rafsanjani *[Havana Radio]* 3
Cooperation Protocol Signed With Iran *[Havana Radio]* 3
U.S. Repatriation of Haitians Criticized *[Havana Radio]* 3
French Senators Delegation Meets With Escalona *[Havana TV]* 4
Meets With Rodriguez *[Havana Radio]* 4
'Ample Evidence' Introduced at Tarara Trial *[Havana Radio]* 4

Haiti

Senate Committee Ends Series of Consultations *[Port-au-Prince Radio]* 4
Senator Delpe Comments *[Port-au-Prince Radio]* 5
Senator Mondestin Comments *[Port-au-Prince Radio]* 5
Senator Mondestin Sought by Four Gunmen *[Port-au-Prince Radio]* 6
Humanitarian Aid Distributed, Not Sufficient *[Port-au-Prince Radio]* 6
Dupiton Calls FNCD Expulsion 'Betrayal' *[Port-au-Prince Radio]* 6
New Political Party Officially Recorded *[LE NOUVELLISTE 31 Jan-2 Feb]* 6

CENTRAL AMERICA

El Salvador

FMLN Heads Visit Fronts To Ensure Withdrawal *[Panama City ACAN]* 7
FMLN Leadership Reportedly To Return Abroad *[Panama City ACAN]* 7

Guatemala

Vice President Regrets Bomb Attack at University *[Guatemala City TV]* 7

Honduras

President in United States for Medical Checkup *[Tegucigalpa TV]* 8
Peasants Take Over INA Offices in Choluteca *[Panama City ACAN]* 8

Nicaragua

President Chamorro Cancels Visit to Colombia *[Managua Radio]* 8

Panama

Foreign Minister on Coup in Venezuela *[Panama City TV]* 8
Vice President Ford Comments on Economic Policy *[Panama City TV]* 9

SOUTH AMERICA

Argentina

Menem Conveys Solidarity to Venezuela's Perez *[Buenos Aires Radio]* 14
Di Tella Urges 'Greater Intervention' by OAS *[NOTICIAS ARGENTINAS]* 14
Foreign Ministry Communique 'Deplores' Coup *[TELAM]* 14
Menem Closes Bolivian Border Over Cholera *[TELAM]* 15
• Corruption Charges Against Officials Viewed *[LA PRENSA 12 Jan]* 15
• Modin Congressmen Announce Tough Opposition *[SOMOS 6 Jan]* 16
• Somisa Interventor Implicated in Fraud *[SOMOS 30 Dec]* 18

Brazil

Collor Conveys Support to Venezuelan President *[Rio de Janeiro TV]* 21
Army Denies 'Disagreement' Over Nuclear Power *[O ESTADO DE SAO PAULO 4 Feb]* 21
• Tinoco on Budget Cuts, Role, Privatization *[MANCHETE 18 Jan]* 22

Chile

Aylwin Expresses Concern Over Coup in Venezuela *[Santiago Radio]* 24
Terrorist Group Leader Charged; Weapons Seized *[Santiago TV]* 24
Aid to Victims of Pinochet Regime Approved *[Santiago TV]* 25

Colombia

Government Requests OAS Session on Venezuela *[AFP]* 25
Gaviria Strengthens Relations With Venezuela *[Santa Fe de Bogota TV]* 25
Escobar Reportedly Operates From Prison *[EL TIEMPO 28 Jan]* 25

Paraguay

Rodriguez, Congress Support Venezuela's Perez *[Asuncion TV]* 26

Venezuela

Continued Reportage on Attempted Military Coup 27
Perez: Situation 'Under Control' *[Caracas Radio/TV]* 27
Defense Minister News Conference *[Caracas TV]* 28
Interior Minister on Coup *[Caracas TV]* 30
Rebel Leader Calls For Surrender *[Madrid Radio]* 31
More on Rebel Surrender *[Caracas TV]* 31
Coup Leaders Sought Reforms *[Madrid EFE]* 32
Arrested Paratroopers Say Tricked *[Caracas TV]* 32
Numerous Casualties Reported *[AFP]* 33
Communist Leader Comments *[Caracas TV]* 34
Labor Leader Supports President *[Caracas TV]* 34
Oil Sector Repercussions Denied *[Caracas TV]* 35
Assurance on Food Supply Given *[Caracas TV]* 35
Transportation To Be Restored *[Caracas Radio/TV]* 35
MAS Leader Supports President *[Caracas TV]* 36
Ochoa on Arrests, Casualties *[Caracas TV]* 36
Fujimori, Perez Meet at Maiquetia Airport *[Lima TV]* 37
Chilean Ambassador on Post-Coup Situation *[Santiago Radio]* 37
Former President Makes Shocking Remarks on Coup *[AFP]* 37
President Perez Meets With Several World Leaders *[Caracas TV]* 38

Perez Addresses UN Security Council Meeting *[Caracas TV]* 38
Perez Asks Developed Nations To Open Markets *[Caracas TV]* 39
* Copei Senator on Party Unity, Elections, Cuba *[EL DIARIO DE CARACAS 8 Jan]* 39
* MAS Leader Marquez on Electoral Alliances *[EL DIARIO DE CARACAS 4 Jan]* 41

Latin American Presidents Support Perez

PY0402125292 La Paz Radio Fides Network in Spanish 1100 GMT 4 Feb 92

[Text] Following the recent events in Venezuela, the Bolivian Government has protested the actions of the insurgents who attempted a coup in that country. We have remarks by Government Spokesman Mario Rueda Pena:

[Begin recording] Following a series of phone conversations, Bolivian President Jaime Paz Zamora and several Latin American presidents signed a document of solidarity with Venezuelan President Carlos Andres Perez, calling upon continental and world public opinion to support the return of normalcy in that sister country so that the democratic institutions may be respected. The presidents who signed the document are: Jaime Paz Zamora, Colombian President Cesar Gaviria, Mexican President Carlos Salinas de Gortari, Peruvian President Alberto Fujimori, and Ecuadoran President Rodrigo Borja.

The document, in which the Latin American presidents appeal to continental and world democratic conscience, was released at 0330, two hours after the Bolivian president began his phone contacts with his Latin American peers. It should be noted that the Bolivian president received the first reports on the events in Caracas at midnight. Immediately after learning about what was happening in the liberator's [Simon Bolivar] fatherland—because Venezuela was also the liberator's fatherland—he phoned Colombian President Cesar Gaviria. He then contacted the Mexican, Ecuadoran, and Peruvian presidents.

At that time—and we are talking about midnight, practically dawn in Caracas—La Casona, the presidential residence in Caracas, was being attacked by the Leonardo Chirinos Parachute Regiment, a powerful Venezuelan Air Force unit.

The insurgents apparently wanted to arrest or murder President Carlos Andres Perez, but this objective was not accomplished. In fact, at 0200 the president reappeared at the Miraflores Government Palace, from where he left shortly after, in the middle of intense shooting.

The Bolivian president then intensified his phone contacts with the other Latin American presidents. [end recording]

OAS Meeting To Be Requested

PY0502011892 Madrid EFE in Spanish 2121 GMT 4 Feb 92

[Text] La Paz, 4 Feb (EFE)—The Bolivian Foreign Ministry announced today that it will request that the OAS hold an emergency meeting to express support for Venezuela and to submit a copy of a joint declaration of Latin American presidents who support the constitutional government headed by Carlos Andres Perez.

The statement signed by 16 Latin American presidents expresses "great concern over reports about a subversive attack on the democratic institutions of the Republic of Venezuela."

The signatories express their "wholehearted solidarity with Carlos Andres Perez, who was legally elected and therefore, is the representative elected by the will of the people."

In the statement, the Latin American presidents urge, "with the deepest respect for the noble Venezuelan people and their civilian and military institutions, support for the legally established order, thus defending the genuine democracy of the Americas."

The statement is signed by Andean [as received] presidents: Jaime Paz Zamora (Bolivia), Cesar Gaviria (Colombia), Rodrigo Borja (Ecuador), Alberto Fujimori (Peru), and Carlos Salinas de Gortari (Mexico).

The statement is also supported by Carlos Saul Menem (Argentina), Fernando Collor (Brazil), Rafael Angel Calderon (Costa Rica), Patricio Aylwin (Chile), Alfredo Cristiani (El Salvador), Jorge Serrano (Guatemala), Violeta Chamorro (Nicaragua), Leonardo Callejas (Honduras), Guillermo Endara (Panama), Andres Rodriguez (Paraguay), and Luis Alberto Lacalle (Uruguay).

Bolivian Foreign Minister Carlos Iturralde has said that Bolivia will request the holding of an emergency OAS session to express institutional support for Venezuelan democracy and to block future events similar the one that occurred in the predawn hours of today in Caracas.

Rio Group Condemns Attempted Coup in Venezuela

PY0402220892 Buenos Aires TELAM in Spanish 1839 GMT 4 Feb 92

[Text] Buenos Aires, 4 Feb (TELAM)—The governments of the countries that make up the Rio Group today emphatically rejected the attempted coup and aborted attack on Venezuelan President Carlos Andres Perez.

This statement was made by the Argentine Foreign Ministry in a communique saying: "The Rio Group—which is unavoidably and permanently committed to the defense and promotion of democracy and the full enforcement of human rights—strongly condemns the attempted use of violence and military action by a group in a coup attempt to usurp the legitimate government elected by the Venezuelan people, and it also deeply regrets the casualties produced by this action."

The communique concludes by saying: "The Rio Group—aware that this attempt was aimed at obstructing institutional order—expresses its total and unrestricted support for and solidarity with the Venezuelan Government and people. It also reaffirms that it complies with the principles of the OAS Charter and with the basic ideals of peace and democracy."

More on Central American, Caricom Meeting

PA0102043392 San Pedro Sula LA PRENSA in Spanish 31 Jan 92 p 3

[Text] San Pedro Sula—Guidelines for the future integration of the Caribbean and Central America were established on 30 January during deliberations at the first Central American and Caribbean Community [Caricom] Conference, which was held with delegations from 23 countries.

"We have discussed some aspects to strengthen the democratic process and the possibility of establishing trade exchange. Since this is the first meeting, we must begin by creating a permanent information forum for the exchange of data on what Central America and the Caribbean produce and imports," Honduran Foreign Minister Mario Carias Zapata said.

He said there are forums advantegous for this purpose, such as the Initiative for the Americas. In light of the free trade zone between Canada and the United States, the countries of Central America are trying to create a Caribbean trading bloc.

There is also the [proposed] free trade agreement between the United States and Mexico, which would basically create a free trade zone among Canada, the United States, and Mexico. Our developing countries would lag behind if we stay alone, the official said. Small countries cannot continue fighting alone in the international market, they are too small, he added.

Central Americans are united and hope to create a single bloc to reap the benefits of the Initiative for the Americas, the Caribbean Basin Initiative, and all plans promoting free trade.

The official said the work format consisted of three plenary sessions. During the first session, the delegates discussed political aspects and institutional cooperation; during the second session, which concluded on 30 January, they discussed economic and trade aspects; and during the 31 January session, they will discuss aspects of cooperation in at least seven topics.

Among the topics of interest to be developed in the short-term are: tourism, ecology and natural disasters, drug trafficking, transportation, educational and cultural exchange, science and technology, and research on agricultural production. Caricom delegates will visit the Honduran Agricultural Research Foundation in La Lima, which has a complete development program to promote the cultivation of tropical fruits, in particular, bananas.

The above-mentioned topics will be analyzed in the 31 January full session. The official said we will issue a final declaration, which is still being drafted. He said that in the 30 January session, which was devoted to political and institutional aspects, the delegates in essence discussed the importance for the two regions of having a permanent forum for consultations. This would be via periodic ministerial, expert, OAS, or United Nations level meetings.

Regarding the situation in Haiti, a task force was created to develop appropriate recommendations to the ministers for the purpose of restoring Haiti's democratic process, Carias noted.

Costa Rican Foreign Minister Bernd Niehaus, Honduran Foreign Minister Carias, and Secretary General Francisco Rodriguez Loucel, of the Secretariat of Central American Economic Integration, spoke during the economy and trade session. The former talked about the development of the Central American integration movement in the past two years and, specifically, how Panama has established ties to the area.

Also present at this session was Federico Alvarez, president of the Central American Bank of Economic Integration, who talked about the possibilities for cooperation between the two countries that his bank could provide, thanks to the support it has received from extrarregional partners.

"Jamaican Foreign Minister David Coore also spoke at length about trade possibilities between our countries, and on our position regarding third countries," Carias stated.

No conclusion was reached on the specific topic of banana exports because all the countries have their sights set on the GATT Uruguay talks, where the group of producers of tropical products will meet next month.

Cuba

Castro Sends Message to Venezuela's Perez

FL0402213992 Havana Radio Reloj Network in Spanish 2032 GMT 4 Feb 92

[Text] Today, Commander in Chief Fidel Castro expressed his solidarity and support for Venezuelan President Carlos Andres Perez, who confronted a failed military coup attempt this morning.

In a personal message to Perez, the leader of the Cuban revolution expressed his confidence that the country will be able to completely overcome these difficulties, that the constitutional order will be preserved, and that the president will maintain his leadership role.

Fidel said he was concerned when he learned of the military coup but his worries began to disappear when he heard of the first appearance of Carlos Andres Perez on radio and television and the news that everything was under control. Fidel said: We remember with gratitude your efforts on bilateral relations and your respectful and understanding position toward Cuba.

Fernandez Meets With Iran's Hashemi-Rafsanjani

FL0402161192 Havana Radio Reloj Network in Spanish 1502 GMT 4 Feb 92

[Text] Cuban Vice President Jose Ramon Fernandez has met with Iranian President 'Ali Akbar Hashemi-Rafsanjani in Tehran, according to a local radio report. The source adds that during the meeting, Rafsanjani stated that Iran considers Cuba a friendly, revolutionary country with which it is possible to have good relations in all spheres. The Iranian president welcomed the development of relations between Tehran and Havana in the political, cultural, economic, and trade fields. For his part, Jose Ramon Fernandez discussed with his host the most recent events in Latin America and came out in favor of closer ties between Cuba and Iran.

Cooperation Protocol Signed With Iran

FL0402224692 Havana Radio Reloj Network in Spanish 2037 GMT 4 Feb 92

[Text] The Foreign Ministries of the Islamic Republic of Iran and Cuba today signed a cooperation protocol for 1992 and 1993. Alcibiades Hidalgo, Cuban first vice foreign minister, and 'Alireza Deyhim, Iranian ambassador to Cuba, signed the accord in a solemn act at the ministry headquarters.

Hidalgo said that the signing of this protocol is a clear indication of the political willingness of both governments to strengthen relations between the two countries. Deyhim said that it is a pleasure for him to be able to be part of the consolidation of ties between the two nations. He expressed his conviction that the Cuban people will be able to overcome the difficulties that they face and that Iran will always be on their side.

Olga Miranda, director of the Foreign Ministry's Legal Affairs Directorate, was also present at the ceremony.

U.S. Repatriation of Haitians Criticized

PA0402193792 Havana Radio Havana Cuba in Spanish 0100 GMT 4 Feb 92

[Ignacio Canel commentary: "Our America"]

[Text] Contradictory and arbitrary, the recent decision by the U.S. Supreme Court to repatriate thousands of Haitian refugees will go down not only as an unfair action, but as proof of the U.S. Government's deceitfulness. The champions of freedom and human rights, as the U.S. Government representatives have always posed, on 1 February reboarded the Haitians onto Coast Guard vessels, the same ships that picked them up at sea three months ago. This was certainly not to take them to the often-praised promised land, but to dump them at the Guantanamo Naval Base in Cuba. Now forced to return, close to 1,500 refugees are still aboard Coast Guard vessels and 10,500 live in tents at the naval base.

Many things can be said and perhaps many more will remain untold about this. Nevertheless, we can start by mentioning hypocrisy. Not long ago, U.S. President George Bush described the current Haitian Government as totalitarian, and said that it had killed more than 2,000 persons in the recent coup and that, therefore, the United States would not recognize such a government. Aware of the nature of the Haitian Government, but completely disregarding the probable fate of those who escaped from the country, the U.S. Government decided to repatriate the refugees.

This is much more than just a contradiction. It is a racist and criminal action. This stand is very different from the one taken when Cuban citizens are welcomed in U.S. territory. The U.S. Government not only encourages unsafe trips, but welcomes defectors with open arms, offering them every conceivable opportunity while arguing that it cannot return them to Cuba because there are no diplomatic relations with the island.

How can this thing be explained? Has the United States perhaps resumed relations of some kind with the current de facto Haitian Government? President Bush himself has not labeled the Haitian Government a totalitarian one. He publicly admitted that President Jean-Bertrand Aristide is Haiti's only legitimate governor. International news agencies and U.S. radio and television stations started to report on 1 February the mass deportation of Haitians, many of whom chanted slogans to support overthrown President Aristide. If Aristide does not go back, we will not either, shouted a young man who said his name was George Lucia. He added: Although the U.S. authorities know we will be killed if we return, they are bent on forcing us to return. Such is U.S. justice. This is why several U.S. lawmakers protested when the Coast Guard vessels started to pick up Haitians in open seas and dump them at the Guantanamo Naval Base some time ago. They remarked that the U.S. Government's action involved a large dose of racism. The

Haitians who tried in vain to find refuge in the false promised land are again sailing the seas. They will again be cast adrift. When they arrive in their country, they will face death and will be without a job and without food, in a country with a dictatorship that is in no way outdone by the darkest times of Duvalierism. Washington will continue to pick up illegal immigrants and will continue to encourage illegal escapes. Many will remember the repatriation as just another example of hypocrisy and injustice.

French Senators Delegation Meets With Escalona

FL0402125892 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 4 Feb 92

[Text] French senators from the Independent Democratic Party and Union of the Center, among others, and members of the France-Cuba Friendship Group today held a lively talk with Juan Escalona, president of the National Assembly of the People's Government. Escalona and Roland du Luart, who heads the delegation, focused on the Cuban electoral system and the food program. The visitors expressed their gratitude for the opportunities they have had to evaluate the economic and political situation Cuba is experiencing. They said it was very different from what is published in many Western newspapers. The French senators also spoke during the day with Foreign Trade Minister Ricardo Cabrisas and National Bank of Cuba President Hector Rodriguez Llompart.

Meets With Rodriguez

FL0502021392 Havana Radio Rebelde Network in Spanish 0000 GMT 5 Feb 92

[Text] Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, met today with the delegation of the French Senate which has been visiting Cuba since 1 February. While answering questions by members of the delegation headed by French Senator Roland du Luart, a lively conversation ensued in which the Cuban vice president gave the visitors a detailed briefing of the current situation and the plans and measures being implemented to overcome the difficulties of this period, especially regarding the economic sector, interior order, and foreign trade.

'Ample Evidence' Introduced at Tarara Trial

FL0502014492 Havana Radio Rebelde Network in Spanish 0000 GMT 5 Feb 92

[Text] The trial of Case No. 3 of 1992, regarding the Tarara events, continued today with the appearance in court of witnesses, experts, and investigators. Ample evidence was introduced proving the various degrees of participation by the accused in the act of piracy and murder which prompted this trial. It has been proved that the accused Luis Miguel Almeida Perez and Rene Salmeron Mendoza directly participated in the Tarara murders, and the prosecutor in his provisional conclusions has requested the death penalty.

It has been established that defendants Elias Perez Bocourt and Eric Salmeron Mendoza took part in the initial surprise attack on soldiers Rafael Guevara and Orosman Duenas. The prosecutor is requesting 30 year prison sentences for these two accused. The same sentence was provisionally requested for Pedro de la Rosa Guerra. Other sentences requested include prison terms of between three to 18 years for Esperanza Atencio de la Rosa, Miderglis Ponce Casanova, Maria Mendoza Marrero, and Enrique de la Rosa Guerra.

The prosecutor's final remarks and conclusions on the sentences requested and the defense lawyers' remarks are yet to be heard at the trial before the court issues the sentences.

Haiti

Senate Committee Ends Series of Consultations

FL0402224592 Port-au-Prince Radio Metropole in French 1145 GMT 3 Feb 92

[Excerpts] The Senate has closed its series of consultations to find a solution to the crisis with a meeting with Prime Minister Jean-Jacques Honorat. The Senate arbitration committee had been collecting the opinions of various sectors for an entire week, including the weekend. Those interviewed included the provisional president and the head of government, the Army commander in chief, political leaders, political groups, and socio-professional associations.

According to Julio Larosiliere, chairman of the Senate committee, two trends are emerging from the opinions of the participating sectors. In the first category, there are those who prefer the constitutional solution, which is nevertheless expressed in individual ways, ranging from the fierce partisan point of view calling for elections, to that which requests the unconditional return of Father Aristide for the continuation of his presidential mandate.

The other trend favors a negotiated solution. But what kind of negotiated solution? Divergence also emerged in that sector. Some feel Father Aristide should appoint a prime minister in agreement with parliament. The prime minister would then be responsible for negotiating the return of the president in exile at a favorable time.

The second scenario favors the birth of a national consensus government, with the prime minister coming from a different sector of national life. This head of government would be introduced to the parliament by provisional President Nerette, who would resign once the ratification occurs. The new government would then negotiate Aristide's return to power under the auspices of the OAS.

The head of the provisional government, the final participant in the Senate's hearings, points out that yet another scenario has not been mentioned, referring to the case of Leslie Manigat. The prime minister explains

that some groups are asking for President Manigat to finish his mandate because he too was overthrown by a military coup.

Questioned about his proposal to solve the crisis, the head of the government said he perceives the crisis as multiform and economically based. According to Honorat, the political crisis has been solved since 8 October. Nevertheless, it is our miserable condition that has pushed the international authorities to impose their dictates on us. The prime minister offered no concrete proposals for quickly resolving the situation. According to Honorat, the parliament, however, should not reverse its decision. He suggested that the door to negotiation is not closed: negotiation to Jean-Jacques Honorat means respect for the rules of the game. [passage omitted].

The meeting took place on camera. The head of government was accompanied by the ministers of finance, interior, and foreign affairs. Jean-Jacques Honorat took the opportunity to shoot missiles at the OAS embargo measures, and invited Haitians to invest in the country. [passage omitted]

Senator Delpe Comments

FL0402221492 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 4 Feb 92

[Excerpts] The situation in the country cannot remain as it is, said Senator Turneb Delpe who believes the political leaders must do a worthwhile job on this matter. The senator further stated that the Haitian parliamentarians can resolve the Haitian crisis in one of two ways; they can either seek a solution that is good for everyone in the country, or they can hand over power to the authors of the 30 September coup. Details with Yves Eriveau.

[Begin Eriveau recording] According to Senator Delpe, the arbitration committee is separate from the negotiating committee. He explains that the arbitration committee will present to the negotiating committee a basic document proposing a goal and recommending a final solution, based on data collected from the various sectors of national life.

The senator said democracy is still possible because up to now, the 30 September coup had spared the parliament which is one of the branches of democracy. He explained that because parliament still exists, there is some hope, and that both parliament and the Army are on alert status. According to Senator Turneb Delpe, the crisis has taken up all the senators' time for the past four months.

In his opinion, there are two worthwhile solutions to the Haitian crisis: either the parliament finds a solution that benefits everyone, or the parliament hands power over to those who staged the coup. [passage omitted]

According to the senator, the Haitian leaders do not represent an examplary image for the nation's youth. He believes the political parties have a role to play in the establishment of democracy in Haiti, and that the political leaders must evince political maturity in support of the 16 December action. In other words, they should choose a negotiated solution to the Haitian political crisis. [passage omitted]

The senator does not think this crisis can last much longer, and that parliament and all the vital forces in the country must find a negotiated solution that satisfies the Haitian people and gives them the means to live as a society. [end recording]

Senator Mondestin Comments

FL0502012892 Port-au-Prince Radio Metropole in French 1700 GMT 03 Feb 92

[Italicized passage in Creole]

[Text] Senator Rony Mondestin comments on the Senate arbitration committee meetings from which a decision is promised for this week.

[Begin recording] [Mondestin] *Many sectors did not show up for the committee: labor unions, employees, the Chamber of Commerce, the Association of Haitian Manufacturers, ACRONA [not further identified], the strong production forces, large social sectors, the lawyers' bar, the engineers association, the National Confederation of Haitian Teachers, the Federation of Protestant Churches, and the Episcopal Conference did not show up. This reflects either an apprehension toward the committee, a distrust of the officials in charge, or a fear of participating in such an operation. Only the political parties showed up, and the majority of these are not even in the majority in the Chamber.*

The work of the committee helped us see one thing: for good or for ill, it made some people understand that the committee's work is a delay tactic. Some positive results nonetheless emerged. Several parties favor elections. The majority of those favoring elections, however, have no representative in the Chamber. Most of the parties present favor negotiations. Of course, there is divergence within the negotiations.

The second important aspect of this work is that the prime minister clearly indicates that he will continue in power. Furthermore, when he stated in October that negotiations were his first requirement in accepting the post, he was waffling. In other words, the prime minister received a vote of confidence for promises he made without conviction, for misrepresenting his intentions. Now a serious problem has emerged relating to the question of confidence which has become evident since yesterday. When the prime minister speaks of negotiations, he is being hypocritical. So one result of the committee's work has been to expose this type of politician to the people.

[Clarence] *What then will be the decision made after these meetings with the various sectors, and how will that decision be reached?*

[Mondestin] *The committee must consider the opinions of all political parties and of all the other sectors which participated. We must mostly be aware that for someone*

to obain a vote of confidence before parliament, based on a statement devised to fool parliament,—this is what emerged yesterday—the person is also misleading international opinion. This creates great discontent in the country. It only intensifies the difficulty because it is no longer a quesion of playing smart. There are ethics involved. If there is no ethic, then everything is difficult.

I think the committee will continue its work, but only if the National Assembly gives the mandate to work with the deputies because so far the committee has only been in charge of working with the various sectors to adopt a solution to the crisis. We are not a parliamentary committee. We are a senatorial committee. The parliamentary committee will then work with the executive. Our mission, as the Senate committee ends here. [end recording]

Senator Mondestin Sought by Four Gunmen

FL0402191692 Port-au-Prince Radio Soleil Network in Creole 1930 GMT 3 Feb 92

[Text] On 1 February, four gunmen went to the home of Senator Rony Mondestin, a member of the National Reconstruction Movement [headed by Rene Theodore], according to people close to the senator. In the morning of 1 February, the four gunmen asked threateningly the whereabouts of Senator Rony Mondestin. The senator was not present at the time. The armed men waited but the senator never returned home. The senator's family members warned the military authorities, who contacted the Haitian parliament.

Humanitarian Aid Distributed, Not Sufficient

FL0502022892 Port-au-Prince Radio Metropole in French 1700 GMT 4 Feb 92

[Text] The humanitarian aid to Haiti has been distributed to the population through non-governmental organizations. The Catholic Relief Service is in charge of distribution of the powdered milk and OPS [not further identified] is responsible for distributing the medicines.

The humanitarian aid to Haiti arrived on 27 January. Mr. Laurent Paul Tardif, OAS representative in Haiti, recognizes that this aid is not sufficient and announced the future arrival of a new stock of powdered milk and medicines, including mostly vaccines and serum, which will treat diseases such as cholera.

Concerning aid from the EEC, Lorenzo Anton Santos, EC representative in Haiti, stated that the humanitarian aid from the EC has never stopped. Thirty thousand bags of corn seed from EC countries were distributed in Haiti in October and December, and another distribution of milk and various medicines is expected next month.

Dupiton Calls FNCD Expulsion 'Betrayal'

FL0402234892 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 4 Feb 92

[Excerpts] Reacting to the decision that the National Front for Change and Democracy [FNCD] crisis committee made on 31 January to expel him from this political organization, Senator Eddy Dupiton says this decision has no logic. According to the senator, the FNCD has been contradicting itself from the beginning. Let us listen to Fernand Biyon for an explanation.

[Begin recording] [Biyon] The Artibonite senator, Mr. Thomas Eddy Dupiton, is the first senator to react to the FNCD decision to expel him and Senator Bernard Sansaricq from the front.

Senator Dupiton says: This news does not surprise me, but it is an act of betrayal against me. He added that the FNCD was functioning with much hypocrisy and dishonesty. As an example, the senator points out that it had begun by striking a low blow to Professor Victor Benoit during the elections, and that Father Aristide was so discouraged by them that he formed a new party called Lavalas. In Dupiton's opinion, the FNCD decision is devoid of logic.

[Dupiton] [passage omitted] They are not honest. I would have been the president of the Senate by twice (?the votes) if they had not dealt me a low blow. [passage omitted] Knowing that I could not attend the meeting, they made the decision in my absence. That was an act of betrayal. [passage omitted]

What appears strange is that the FNCD, which is today advocating Father Jean-Bertrand Aristide's return, came up with the recommendation that we must negotiate—they came up with that proposal while we were going to Cartagena—the non-return of Father Jean-Bertrand Aristide, while overtly defending the principle of return at his own risk. I had said I found that proposal a bit too cynical. I then said one cannot give and hold back at the same time. One cannot tell the guy [Aristide] to return without providing guarantees for that return. I myself advocated the return, but with the reservation that I must know the circumstances of the return, then provide whatever guarantees would allow that return to actually occur. Not verbal guarantees, but written guarantees, in compliance with a protocol agreement that we would have first negotiated with Father Jean-Bertrand Aristide. [passage omitted] [end recording]

New Political Party Officially Recorded

FL0502000792 Port-au-Prince LE NOUVELLISTE in French No. 34.229 31 Jan-2 Feb 92 p 12

[Text] A new political party has entered the arena. The Democratic Movement of Haitian Youth, headed by Secretary General Gerard Mecklembourg, has been officially recorded with the Ministry of Justice as reported in a letter dated 31 January from Minister Antoine P. Leconte.

El Salvador

FMLN Heads Visit Fronts To Ensure Withdrawal

PA0402185492 Panama City ACAN in Spanish 1553 GMT 4 Feb 92

[Text] San Salvador, 4 Feb (ACAN-EFE)—The five members of the Farabundo Marti National Liberation Front [FMLN] General Command departed on 4 February for various war fronts to visit fighters who will withdraw within the next few hours toward the areas established by the peace agreements.

The guerrilla leaders left the offices of the UN Observers for El Salvador (ONUSAL) mission accompanied by a number of mission members, other lower-ranking FMLN members, and a few National Police patrol units for safety reasons.

Commanders Jorge Shafik Handal and Eduardo Sancho (Ferman Cienfuegos) traveled to Guazapa Hill, where Handal will visit the Guillermo Ungo community for the displaced and repatriated. Sancho will visit Platanares hamlet.

Salvador Sanchez Ceren (Leonel Gonzalez) traveled to San Jose Las Flores, Chalatenango Department, in the north; Francisco Joven (Roberto Roca) went to the city of Santa Clara, San Vicente Department, in central El Salvador; and Joaquin Villalobos went to Perquin, Morazan, in the east.

Commander Herson Martinez of the FMLN Political Committee told ACAN-EFE the top leaders were visiting the war fronts to ensure the fulfillment of the agreement in which the FMLN and Army would withdraw their military forces.

From 1 February, when the formal cease-fire began in El Salvador, to 3 February, government troops gathered at the points established by the United Nations.

FMLN Leadership Reportedly To Return Abroad

PA0402192092 Panama City ACAN in Spanish 1209 GMT 4 Feb 92

[Text] San Salvador, 4 Feb (ACAN-EFE)—The majority of guerrilla leaders who returned to El Salvador last week will return abroad because, according to rebel sources, the conditions in El Salvador are not suitable for them to stay.

The top commanders of the Farabundo Marti National Liberation Front [FMLN] Directorate will leave San Salvador this week after fulfilling political and diplomatic commitments and after greeting the fighters from various guerrilla areas on 4 February. Joaquin Villalobos told ACAN-EFE that he, Francisco Jovel, and other commanders will remain in the capital a few days, but the FMLN leadership will return abroad soon "because the conditions in the country are not yet suitable for us to stay." He noted: "We have come to fulfill commitments for which our presence was required, but we must return abroad to tackle missions we have there."

Villalobos noted: "The formal cease-fire is functioning. We are happy about how the various deadlines are being met, at least up to now."

The guerrilla leader explained that he will stay in San Salvador for a few more days based on a program of the National Commission for the Consolidation of Peace [Copaz], the most important control organization and one of the most important defenders of the FMLN.

Commanders Shafik Handal, Leonel Gonzalez, German Cienfuegos, and Roberto Roca visited guerrilla concentration points in Cuscatlan, Chalatenango, San Salvador, San Vicente, and Usulutan Departments, respectively, accompanied by UN Observers for El Salvador [ONUSAL].

The FMLN leadership that arrived in San Salvador on 31 January has kept a busy schedule.

The Press Committee of the Armed Forces [Coprefa] reported on 3 February that the Armed Forces have concentrated their forces, under ONUSAL supervision, in 100 barracks, according to schedule. Coprefa noted: "The forces' deployments to the assigned places have been carried out without mishap."

The guerrillas began moving to their camps today. They will be concentrated in 50 such camps by 6 February. Mario Zamorano, ONUSAL spokesman, has said that "everything is being accomplished without incident." "The two sides are showing absolute respect. There is nothing to lament, and ONUSAL continues to work in favor of respect for human rights. He said: "There are still some violations but to a lesser degree."

Right now, ONUSAL has 300 military observers, 100 of whom are Spanish. These observers are supervising the concentration of forces. By the end of February or the beginning of March, there will be approximately 1,000 ONUSAL observers in El Salvador.

It is expected that the first 50 policemen out of a total of 100 that Mexico will send to El Salvador during the month of February will arrive by 6 February.

Guatemala

Vice President Regrets Bomb Attack at University

PA0402031192 Guatemala City Teleonce Television in Spanish 0030 GMT 3 Feb 92

[Text] The Army was not alone in officially reacting to the bomb explosions at the main offices of the University Students Association over the weekend. Vice President Gustavo Adolfo Espina made the following statement:

[Begin recording] This is regrettable. Keep in mind that the university faced many difficulties in the past. Many students have been killed; many are missing. I want it to

be clear this happened in the past. This is the first such incident since then, and that is why it is regrettable. Let us return to this topic again. On 1 February I saw a young man say on television: The Army did it. The Army planted the bomb. I think this charge is reckless. To levy a charge, one must have proof [words indistinct]. Who planted that bomb? The authorities, rather government Minister Fernando Hurtado, told me on 1 February that an investigation was under way. The minute he gets some information, he will report on it. There have been cases where the government has proved its efficiency. I am not saying it is perfect, it has its flaws. As for the university bombing, I would just like to say it is regrettable and worrisome to all Guatemalans. I hope it does not happen again. [end recording]

Honduras

President in United States for Medical Checkup

PA0402204392 Tegucigalpa Telesistemas Hondureno Television Network in Spanish 0100 GMT 4 Feb 92

[Text] President Leonardo Callejas suddenly traveled to the United States on 3 February for health reasons, according to his private secretary.

Although his closest allies claim President Leonardo Callejas is in fine health, the president traveled to the United States on 3 February for a medical checkup that begins tomorrow with examinations and analyses. He will return to the nation on 6 February. The visit to the northern nation is solely due to health reasons, although private meetings with U.S. Government officials are not ruled out. At the last moment it was announced that Central Bank President [Ricardo Maduro] would be accompanying the president. Here is the president's private secretary:

[Begin private secretary recording] We realized that there was some free time between the end of the [National Party] convention and before the arrival next week of [Costa Rican] President Rafael Angel Calderon Fournier. We therefore made all the contacts with the doctors for a medical checkup on 5 February. In other words, this is a medical checkup that has been scheduled for some time. At the same time, we want to note that the president is in perfectly good health, but that these checkups are always advisable. [end recording]

President Rafael Leonardo Callejas will probably be back on Thursday, 6 February, following a medical checkup.

Peasants Take Over INA Offices in Choluteca

PA0402233092 Panama City ACAN in Spanish 1955 GMT 4 Feb 92

[Text] Tegucigalpa, 4 Feb (ACAN - EFE)—Over 100 peasants on 4 February seized the headquarters of the National Agrarian Institute [INA], located in the city of Choluteca, southern Honduras.

The National Association of Honduran Peasants is supporting the protest and demanding the dismissal of Emilio Pacheno, INA director in the southern region, whom they accuse of favoring large landowners. In the first land takeover so far this year, the peasants stated they will not abandon the INA office until government authorities meet their demands.

There are 200,000 landless peasant families throughout Honduras, and they are demanding land, technical support, and loans to be able to eke out a living.

Nicaragua

President Chamorro Cancels Visit to Colombia

PA0402233392 Managua Radio Sandino in Spanish 1930 GMT 4 Feb 92

[Text] Nicaraguan President Violeta Chamorro has canceled a scheduled 4 February visit to Colombia due to the difficult situation in Venezuela that is receiving all the attention of the Santa Fe de Bogota government.

Colombian Government officials said President Cesar Gaviria requested Chamorro's visit be postponed so he could closely follow the events in Venezuela.

After learning of the coup attempt shortly after midnight, Gaviria contacted 15 Latin American presidents to draft a joint message of support for the Carlos Andres Perez government. In addition, Gaviria met throughout the early morning hours with Colombian Foreign Minister Noemi Sanin and Colombian Government Minister Humberto de la Calle to analyze the delicate Venezuelan situation.

Colombia is seriously concerned about the attempted military coup in Venezuela as the two countries are neighbors and have strong commercial and cultural relations.

Violeta Chamorro and Cesar Gaviria had scheduled to meet on 4 and 5 February to sign several bilateral agreements and discuss issues of common interest. No new date for Chamorro's visit has been announced.

Panama

Foreign Minister on Coup in Venezuela

PA0502035192 Panama City Circuito RPC Television in Spanish 2300 GMT 4 Feb 92

[Excerpt] [passage omitted] Foreign Minister Julio Linares stated Panama's position on the attempted coup against Venezuelan President Carlos Andres Perez's administration.

[Begin Linares recording] We must point that the OAS is failing in the case of Haiti, as it once failed in Panama's

case. Because of these fiascoes, Venezuelan military members saw the possibility of carrying out a coup against a legitimately elected president. [end recording]

According to Minister Linares, the OAS must make up for lost time as soon as possible. It must strive to have democracy respected in Haiti to avoid any further attempts to topple democracies in Latin America.

Vice President Ford Comments on Economic Policy

PA0302193492 Panama City Sistema de Television Educativa in Spanish 2330 GMT 2 Feb 92

[Interview with Guillermo Ford, second vice president and planning and economic policy minister, by Rosalina Pinzon at the Television Educativa studio in Panama City on the "Facing the Facts" program; date not given—recorded]

[Text] [Pinzon] Mr. Guillermo Ford, what type of state do we want for the Panamanian people?

[Ford] In my opinion, it is most important for the Panamanian people to understand that we must eradicate all vestiges of a paternalistic state. It appeared to contribute toward resolving some social and economic problems, but this was done at a very high economic cost. The solutions have been neither permanent nor constant. I would like to see dynamic private enterprise, which can provide, along with the labor sector, more consistency and permanence to the economic growth we all want so we can furnish real solutions for the unemployment problem. In conclusion, the idea is to eradicate the system that previously prevailed: a paternalistic state.

[Pinzon] What is the state's role in the national economy?

[Ford] There are two important aspects. In my opinion, the Panamanian state must contribute to infrastructure works such as education, health, hospitals, roads, etc. It must also protect social stability and provide security for all Panamanians. It must also support with incentives—not subsidies—national production so we can share our responsibilities. In the past, the state was a producer that quickly replaced the productive sector. We can now see the results, which are self-evident in Panama. I believe it is important to note that the state has a very important role to play: stability, security, infrastructure works. The private sector, as I said before, is responsible for the permanent development of the country.

[Pinzon] Do you believe in a state with a mixed economy?

[Ford] There have been a series of tests around the world intended to produce a mixed economy. However, I believe we must be consistent with the economic policy that has been implemented by the government and adopted as Panama's economic program. I believe, for example, in mixed enterprises. To give you an example, I can mention the National Institute of Telecommunications. One of the goals we seek to achieve is to turn it into a mixed enterprise where private capital, the labor sector, and the national government can participate. Mixed economies have a great tendency to distort a country's economic development. I would prefer to continue along the course we have set. The state provides the services of stability and security, while private enterprise, along with the labor sector, provides the rest. I do not believe we can talk about a mixed economy, but there can be state enterprises that can become mixed enterprises. It should not necessarily be a mixed economy as you have mentioned.

[Pinzon] What is your definition of a paternalistic state?

[Ford] First, in a paternalistic state, all citizens begin to depend on the state in one way or another. The bulky government payroll is one example. We found nearly 150,000 government employees. The bureaucratization of the state leads to a lack of internal resources in the central government and in the decentralized institutions needed for the country's infrastructure works. At the same time paralysis results because even though government officials have great responsibilities—we must feel proud of government employees—the payroll is excessive.

Therefore, I do not believe that Panama needs a paternalistic state where everything is based on subsidies and privileges—some call these achievements—that create a series of distortions that in turn cause the market to become less competitive. To me, supply and demand is the most important rule, be it in labor, management, production, or any other sector. I really believe that a paternalistic state is one where we all seek solutions from the government instead of contributing individual efforts to find a real solution together.

[Pinzon] Could you give us a conceptual explanation of where the nation's problem lies? Is it in the distribution of wealth or in the production of wealth? Where do you think it lies?

[Ford] I would say it lies in the distribution of wealth. There are mechanisms by which a serious and honest state collects taxes and redistributes them equally among the population. This can be through the health system, education, and all the other infrastructure elements we have discussed. I believe there is a poor distribution of the wealth, but that does not mean we must take from those who have and give it to those who do not. What we must do is produce more so the state can become a distributor of wealth in the form of goods and services.

[Pinzon] Mr. Vice President, do you believe the economic modernization program you have presented is the program that comes closest to the system you have outlined in this interview?

[Ford] Definitely. It has my strongest support because I believe in it. Many people say that the International Financial Institutions [IFIS] have imposed it on us. There is a complex in Panama that necessitates someone

demanding us to do things. If I had not agreed with this program, which has been wrongfully called the Ford Plan, I would not have implemented it, because we are not about to accept any demands. There are conditions we must meet to become worthy of credit, and there are conditions for the country to progress. There are no impositions. Thus, I am completely convinced that we will see the benefits of this economic program in the long run. However, the Panamanian people, after much frustration, felt that we would see the results from one day to the next. It would be a fallacy and a big lie to expect to see results in the short term. The results will be seen in the long run, and time will prove us right.

[Pinzon] Mr. Ford, what did you take into consideration when drafting the 1992 national budget?

[Ford] First we must be completely aware that the national budget is an instrument for fiscal purposes and for economic development. Nevertheless, we had to consider the community's enormous demand for goods and services and the government's limited resources. We made the most just and equal distribution possible, trying to emphasize health and education. We also dedicated a significant amount to construction and infrastructure and to strengthen the Social Security Fund—to which, incidentally, this government, since the day it took office on 20 December 1989, has paid its portion and its employees' portion for premiums in cash. This year we have set aside about $200 million to pay for Social Security.

Therefore, we are emphasizing what some call the social debt, which, unfortunately, is not payable. The social debt is the tremendous inheritance of all countries. We are trying to make a rational distribution of available resources. To do this, we also need support from abroad. That is why we are trying to normalize our relations with the IFIS, because no country can meet the enormous demands of its people at all levels with its own resources alone.

[Pinzon] Mr. Guillermo Ford, does this budget include sums for entities that you have proposed to close, such as the Price Control Office?

[Ford] The 1992 general budget covers all aspects. This year, in accordance with the Government and Economic Modernization Plan, some institutions will be eliminated or merged with other agencies. The Price Control Office, specifically, will become a consumer protection office under the Ministry of Commerce and Industry. There are, however, several institutions that we have found to be performing duplicate functions. There is the National Mortgage Bank, which provides treasury and loan services to the Housing Ministry, while granting other types of mortgage loans that the National Savings Bank can grant. What we are trying to do is avoid duplicating efforts among agencies that are not productive and whose services can be provided by other larger agencies.

[Pinzon] How will the government solve the unemployment problem, which now affects 140,000 people?

[Ford] The time is right to say what many have tried to keep quiet: Even though the unemployment index is still 15.7 percent—and many demagogues have played with that figure in this country, meaning many of those who claim they are of the so-called opposition—no one has mentioned that the work force that joined the market in 1990 and 1991 has been absorbed by the national economy, thanks to the country's economic growth. Unemployment is an old problem; it began in 1987 when the crisis began. That is the part of the employment problem we have been unable to solve. If we had not had the economic growth reported in 1991, approximately 6.1 percent, and in 1990, approximately 3.7 percent, we simply would not be talking about 140,000, it would be more like 250,000. We have certainly made progress in cutting the unemployment figure, but it is still extremely high. The national government is preparing some programs—without assuming a paternalistic position—so we can create a large number of jobs.

[Pinzon] Mr. Guillermo Ford, do you think the voluntary retirement plan will reduce or increase unemployment in our country?

[Ford] First of all, we must clearly emphasize and reassert—without beating around the bush—the word voluntary. We will talk about the worst scenario, meaning that no official wants to voluntarily accept the plan. Absolutely nothing will happen, yet there are some people who claim that the unemployment figure will increase. If we do not assume a paternalistic position, and if we allow the Panamanian people the freedom to make their own decisions with dignity, decorum, and consideration for their future, public officials will know—better than anyone else—if they wish to continue their studies, open their own businesses, or seek other jobs.

Instead of firing 22,000 employees—which is what some people claim—they will simply be given an option so they can strive for a better future. Thus, it will not be a question of whether unemployment levels will increase or decrease in Panama. I believe that we would be hurting a Panamanian's sensibility and understating his capability by telling him that he is an inept and irresponsible person who will take the money and spend it on beer and horse races. I believe that would be an insult to public employees' intelligence.

[Pinzon] Have other alternatives been considered; for example, placing a freeze on the vacancies within the national budget, or eliminating or lowering the extremely high salaries that certain public employees currently are paid?

[Ford] I sent a letter to the president this morning because I have had to carry out an extremely difficult—and sometimes misunderstood—task. We have been quite strict since last year, and we have not allowed high-ranking officials to fill the vacancies in the nation's budget. This would be counterproductive. If we have the

voluntary retirement plan to reduce the government payroll, and if it is going to be increased by filling the vacancies, then we are simply deceiving ourselves. I have asked the president, and I have his support because he has told me to be very strict.

There are 12 million balboas in available vacancies, and whoever wants me to sign decrees appointing people to fill those vacancies will have to provide very good justification. We cannot simply say: Eliminate all the vacancies! What would we do for teachers, professors, firemen, policemen, nurses, and doctors? It is easy for certain pseudo-leaders of the pseudo-opposition to say that we will use the money irrationally. I believe they are risking a lot by making demagogic statements that I definitely do not endorse.

[Pinzon] Mr. Guillermo Ford, is there an agreement or plan between the government and private enterprise for the latter to gradually assume the public sectors' manpower?

[Ford] No, there are no specific agreements, because we cannot burden the private sector with the obligation and responsibility of assuming all the manpower that is currently available in the national market. What we have to do is create incentives to achieve economic growth. Let us talk about the industrial sector. Many things have been left unsaid in Panama. As a result of the crisis, the industrial sector found itself with an extremely high amount of idle machinery and equipment. Logically, the machinery will be used to the degree that the economy grows, then the sector will be able to hire new manpower.

The industrial sector claims it has had 9.87-percent growth, which is extraordinarily favorable, and I am extremely pleased about it. However, they have failed to increase the number of jobs. Do you know why? Because they are working with what they have, and this includes machinery and equipment. What they must do is avail themselves of the economic growth to increase the number of jobs.

[Pinzon] Do you believe the national strategy program has yielded results?

[Ford] I believe we have begun to see results. At least we have clear rules of the game, which are very important. The multi-sector areas are being promoted and the laws are being modified and refined. It is important to attract foreign investment. The productive sector, in overall terms, with almost unlimited possibilities, has seen challenges ahead and has begun exporting Panamanian products. It has produced results, but I repeat, it is not something that can be immediately seen or felt. I believe that as time goes by and as the program is implemented, Panamanians will be able to produce more than they did in the past. I must publicly acknowledge the Panamanian productive sector, both the business and the labor sector, as a source of pride. National reconstruction in two years is the best evidence that we have an extraordinary, capable team in Panama at the private sector level, which, with the support of the government, is the best combination for success, I believe.

[Pinzon] There have been serious questions about the national strategy plan. Is this a protectionist plan or program?

[Ford] If we really take a close look, Panama is lagging behind in the elimination of tariffs. However, I promised the industrial sector—and we have fulfilled the promise—that tariffs would be reduced to 60 percent for industry and 90 percent for the agro-industrial sector. Beginning on 1 January 1993, tariffs will be reduced to 40 and 50 percent, respectively. Let us compare. There are other countries that are already at 10 percent, but we could not traumatize the national industry by breaking all tariff barriers and allowing the free import of all products without giving our industry the opportunity to revitalize itself and to prepare to attack international markets, which is what we are after.

[Pinzon] Do you not believe there should be a discussion among the country's productive sectors prior to the approval of this program to achieve a greater consensus?

[Ford] Forgive me. If anything has been really discussed and well worn, it is the economic program. Its discussion lasted 18 months, and we continue to receive recommendations from the sectors that may be adversely affected. It is not our intention to destroy the country's productive sector. On the contrary, we want to consolidate and strengthen it. It is just that interest groups in this country are many, and when calluses are stepped on, everyone jumps. If the government irresponsibly listens to those people whose calluses are stepped on, we are simply not going to accomplish anything. We are moving ahead with the adjustments that may be necessary, but we cannot hold back the country's development. They speak of unemployment and a lack of economic growth, but at the same time they want all types of concessions. We had to break the vicious circle so the Panamanian people could have a better future.

[Pinzon] One of your duties is to draft the country's economic strategy and policy during all these years. What groundwork has been laid? What are the prospects for 1994?

[Ford] This is a program that has really been drafted for a two-year period with an outlook toward the future. It is important to sow so benefits can be reaped later on. I believe that along the road we need to be flexibile and exercise our best possible judgment so all justified changes can be implemented on time. If we had given too much time to the sectors to be changed, they would have simply done nothing. In life one must confront reality so we can accelerate the changes required for the modernization of the state and the economy.

[Pinzon] Will the government invest in institutions once they are privatized?

[Ford] No. When the government privatizes certain government institutions, it will convert them into mixed companies, thereby maintaining part of the capital it had originally invested, as I said earlier when I mentioned INTEL [National Institute of Telecommunications]. The government intends to sell 55 percent of INTEL's capital, retain 45 percent, and allow INTEL employees to purchase shares.

I must also point out, because it is important, that I have recommended to the Cabinet that a trusteeship be created. That is being considered. It would allow us to use funds from the sale of all the privatized firms, including naturally INTEL, for very specific social projects throughout the country. Therefore, the government is not going to make joint investments, but the other way around: It will sell state-owned investments, and in some cases it will maintain a minority interest in the institution.

[Pinzon] Will part of the foreign debt be paid with the sale of these state institutions?

[Ford] Absolutely not. From the beginning it was said that INTEL is being sold so the foreign debt can be paid. I have always been opposed to establishing a relationship between the sale of institutions, especially INTEL, which is the most important institution, for payment of the foreign debt. Nevertheless, we should have a clear picture of the country's resources when the time comes to refinance the debt. The clear and manifest intention of the executive branch and the Cabinet Council is to not use funds from the sale of INTEL to repay debts, especially not private debts with private foreign banks.

[Pinzon] What are the real advantages for foreign and national investors who purchase such state institutions? If we look at the privatization phenomenon in other countries, we will see that they have less qualified and cheaper labor, their own currency, and incentives granted by the state. What advantages will you offer investors?

[Ford] I would say the same type of advantages that are offered to the entire productive sector in Panama: industry, farming, and services. Each country has its own traits. Many people believe that because labor is slightly more expensive than in other countries, we are at a disadvantage. I disagree with that. The quality of Panamanian products has proved to be excellent. The industrial sector has gradually made extraordinary improvements over the years, so that is only one factor. Furthermore, we are going the other way, which is an economic theory put forth by certain individuals in the productive sector. They suggest that if we could devalue our currency, we could lower the cost of labor. But why should the country's progress be a burden to the labor sector?

I believe we should seek out the mechanisms—competitive advantages, the aggressiveness of Panamanians who are good merchants and know how to sell, our entire infrastructure, and incentives—that firms enjoy in Panama. I do not believe it can be said that because we have a solid currency, we are at a disadvantage. If that were the case, we would export absolutely nothing; however, we are exporting a considerable amount. Additionally, our presence on foreign markets is increasing.

[Pinzon] Could you mention or explain which institutions will be privatized?

[Ford] I will take advantage of this opportunity to explain that the Institute of Hydraulic Resources and Electrification [IRHE] and the National Water and Sanitation Institute [IDAAN] will not be privatized. This is being said once again by individuals eager to distort the facts. Certain IRHE and INTEL services will be privatized, especially IRHE's expansion. INTEL is a state institution, and the executive branch has decided through a legal mechanism to sell it. We are going to attempt to sell Citricos de Chiriqui [Chiriqui Citrus Company], the negotiations for which are under way. They will reach or have already reached a definitive agreement. The Taboga Hotel, the Washington Hotel, and Air Panama have been sold. We are going to try to sell the Bayano Cement Company and the state-owned sugar refineries, all institutions the government should not manage for production purposes. The state should not be involved in production. All of these institutions must be turned over to the private sector.

I would also like to dispel a certain doubt. Panamanians are distrustful and suspicious, and they feel these institutions will be sold to friends. Ladies and gentlemen, this is being done through the fiscal code, which demands a public bid. Anyone who wants to participate and has the financial and technical capabilities can do so.

[Pinzon] Some have said that these enterprises are being sold at a loss. What do you think of this?

[Ford] That is not true. The fiscal code, which is very demanding, stipulates that no enterprise can be sold for less than the official assessed value established by the Comptroller General's Office and the Finance Ministry. The finance minister, however, has succeeded in securing the approval of what he describes as an auction bill. Very often, the assessment of a particular enterprise is inconsistent with the true market value. After two bids are called for and the two are declared void, the enterprises involved can be auctioned off. However, it is important that the government not to lose money and that the enterprise continue to operate and grow so more jobs can be created. The government cannot and should not continue to subsidize these state enterprises.

[Pinzon] How do you intend to carry out this privatization plan, since it does not enjoy the support of the directors, let alone the workers, of some of the institutions to be privatized?

[Ford] It will be necessary to persuade the workers by explaining to them the meaning of the privatization plan and how it can affect or benefit them. As for the directors of autonomous institutions, the Cabinet Council has

issued a clear directive that states that the directors either accept the plan or quit. That is also my opinion.

[Pinzon] What guarantee will there be against mass dismissals in the institutions to be privatized?

[Ford] The tendency to emphasize the negative side is remarkable. Let us try to look at it another way. When an enterprise is privatized, the best workers stay in their jobs. The enterprise expands with the result that more workers are hired. Let us face the truth: The problem is that there are sinecures in Panama that must be eliminated because they are useless. Many people who hold sinecures are afraid of being fired. These people would not be fired just because of the privatization, but because they are unnecessary. They must go elsewhere for a job. The country just cannot afford to have sinecures.

[Pinzon] How will a monopoly be avoided, since that service will be in a few hands?

[Ford] I do not see ....

[Pinzon, interrupts] Through a law?

[Ford] Yes. For INTEL to be privatized according to a constitutional mandate, the social pact and the statutes of the new corporation must be incorporated into a law. Next, there will be a governing agency, which will establish limits on how much to charge. Also, concessions can be granted for a number of years to give the enterprise a chance to take off. These exclusive concessions would then disappear, and the market would be wide open to competition. We cannot substitute a private monopoly for a state monopoly. Such a thing would be unthinkable.

[Pinzon] Why privatize public services rather than profit-making agencies, such as casinos and the race track, which encourage gambling?

[Ford] I believe the harshest criticisms originate with the pseudo-representatives of labor of the past, who served the dictatorship body and soul. These people, however, mean nothing to me. I deeply respect the labor sector. I do not think, however, that the labor leaders who spoke on behalf of the groups I respect and support can speak to me of moral authority. They do not have any such authority because they lost it when they decided to serve the dictatorship. That criticism is intended to deceive the labor sector. It is impossible to privatize gambling institutions because the Constitution forbids it. Leases can be granted. This is one of the aspects due for a change in the constitutional reforms. In this country, a gentleman appears on television without authority or knowledge, fires off a speech that confounds the Panamanian public, and thinks he possesses truth. These people are big liars. Time will prove me right and show that they are nothing but a bunch of big liars.

[Pinzon] Let us move on to a different topic. How are the negotiations with the IFIS coming along?

[Ford] Very well, fortunately. I have high hopes of completing this long and perhaps misunderstood process. The misunderstanding can be justified because it is not easy to grasp the need to pay back a debt that is not ours. It is important to emphasize that the dictatorship handed us a $6.2 billion debt. It has just fallen, not to the government, but to the nation to face the obligation. We had two choices. Either we ignored the debt, thereby sentencing ourselves to paralysis and relinquishing logical and dynamic growth, or we faced payment of the obligation. In two years, this government has signed loans amounting to $2.5 million. That is the total amount of the debt incurred, and we can repay it tomorrow if necessary. We have lived off our own resources, but it was necessary to reorganize public finances to meet our obligations. I believe that anyone who goes delinquent on the payment of his obligations cannot borrow, and a person or country that cannot borrow stagnates.

[Pinzon] Going a little deeper into your work plan, I think that negotiating with the IFIS is taking just a little too much time, to the detriment of your activities at the Planning Ministry.

[Ford] There is no doubt that a large portion of my time is devoted to these negotiations. Please do not interpret my words as bragging, but, after working 18 hours a day for the country's good with no interest other than to serve it, I still have time to be vice president and planning minister, negotiate with the IFIS, and perform my official duties. At the end of the day, absolutely nothing is left pending on my desk.

[Pinzon] Very good. What is the greatest trouble you have experienced as a minister?

[Ford] None. To me, life is based on challenges. Any human being without a goal lags behind and becomes a conformist, and conformists become dead weights, impossible to bear. I must admit, however, that these have been two years of learning. I had never before been a bureaucrat. It is not easy. The state apparatus is a very large, heavy, complicated monster, very different from private enterprise, where I did have plenty of experience. With goodwill and devotion to work, however, nothing is impossible in life, except a round square.

[Pinzon] As minister or vice president, would you accept responsibility for an economic program where there might be victory or defeat?

[Ford] My father had a saying that has never failed me: Success claims to have many fathers. Failure is an orphan. I do not want to succeed personally. I want my country to succeed. If, with the passage of time, we see that all the hard, misunderstood, and difficult to enforce measures, full of obstacles, were well assimilated and the Panamanian people have found permanent happiness, that will be my greatest satisfaction, even if the success is not acknowledged. I am not here to seek personal glory or success but to do a job.

Argentina

Menem Conveys Solidarity to Venezuela's Perez

PY0402170792 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 4 Feb 92

[Text] President Carlos Menem has sent a message to his Venezuelan counterpart, Carlos Andres Perez. In this message, Menem conveys to Perez his unrestricted solidarity and that of the Argentine people in the face of the attempted coup that took place early this morning in Venezuela.

Menem states that actions such as those carried out in Venezuela bring complete embarrassment upon those true criminals who are trying again to seize the reins of a country through force, violence, and death. No one can tolerate this any more, he added.

Di Tella Urges 'Greater Intrusion' by OAS

PY0502014692 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2330 GMT 4 Feb 92

[Text] Buenos Aires, 4 Feb (NA)—Foreign Minister Guido Di Tella has stated that the Argentine Foreign Ministry was in constant consultation with the U.S. State Department today "in order to coordinate a common position on the incidents" in Venezuela.

During a news conference that he gave a few hours later in the Foreign Ministry, however, the minister denied that a level of constant consultation had been established regarding information in order to adopt a common position on the attempted coup in Venezuela.

"No," Di Tella said categorically when he was asked about those consultations.

He also stated that the Argentine Government had "taken the initiative" among the Rio Group member countries to [words indistinct].

He confirmed that President Menem telephoned Venezuelan President Carlos Andres Perez early this morning and expressed his government's solidarity and support.

Di Tella was asked about the attempted coup in Venezuela at a cabinet meeting that was held at the Olivos presidential residence today.

On that occasion, the minister stated that the Foreign Ministry had been in constant consultation with the U.S. State Department "in order to coordinate a common position on the incidents that have occurred in that country;" some observers have interpreted his later remarks to mean that the contacts did not have a good ending.

Di Tella highlighted the position adopted by Colombian President Julio Cesar Gavir[illegible] because the coupists used, among other things, the border problems that exist with that nation—"a demagogic and anti-Colombian argument," he said.

In the early afternoon, a proposal was made to the Rio Group to hold a foreign ministers meeting in Caracas "as soon as it can be coordinated with the Venezuelan Government in an expression of unmistakable democratic solidarity."

Referring to the OAS, Di Tella stated: "Declarations are not the solution to these problems, but they reflect a state of mind and show that all coupists in Latin America will remain totally isolated if such projects are attempted."

"Regrettably, the thesis that Argentina proposed on the occasion of the coup in Haiti—that of giving the OAS more muscle—has now been confirmed," the minister said, but he added that "the fact that we were right does not console us."

On that occasion, Argentina proposed military intervention to return Haiti to the situation it was in before the coup that overthrew President Jean Bertrand Aristide.

"We insist on increasing the level of measures because an embargo is optional and can be violated; therefore, nothing is achieved," he said. The minister also stated: "If President Menem's proposal for a blockade had been adopted, the Haitian problem would have been resolved by now."

Di Tella stressed that the OAS should study measures of "greater intrusion" in order to face situations such as those that have occurred in Haiti and Venezuela. The position that the OAS adopts "every time this type of incident occurs in a country is not just a problem of that country, it is a problem of the region."

Moreover, he stated: "It would be very foolish to say that Latin America's reaction will be uniform in all cases," and he added that each country has its own characteristics and the same measures of intrusion cannot be applied.

Di Tella does not reject the fact that there could be "a backlash from those who still have the old mentality, although it is decreasing and has no possibility of success."

The foreign minister made these remarks during a news conference at the Foreign Ministry, where he answered a specific question and denied that constant consultations on information had been established with the United States in order to adopt a common position on the attempted coup in Venezuela.

Foreign Ministry Communique 'Deplores' Coup

PY0502005092 Buenos Aires TELAM in Spanish 2054 GMT 4 Feb 92

[Text] Buenos Aires, 4 Feb (TELAM)—The Argentine Government this afternoon "condemned subversive actions that seek to provoke a coup in the sister-nation of Venezuela."

In a Foreign Ministry communique, the Argentine Government described as "deplorable" the "attack on the

constitutional order of a Latin American country." The communique adds: "This constitutes aggression toward all Latin American nations that have adopted a democratic system of government."

Menem Closes Bolivian Border Over Cholera

PY0502141492 Buenos Aires TELAM in Spanish 1343 GMT 5 Feb 92

[Text] Buenos Aires, 5 Feb (TELAM)—President Carlos Menem today announced the closure of the border with Bolivia after confirmation that six people died of cholera and 13 others contracted the disease in Salta Province.

In remarks at Government House, Menem said that "the government will use every means at hand to prevent the cholera outbreak from spreading. If necessary, the Army and the Air Force will be asked to help."

Meanwhile, Menem said he had ordered Health and Social Action Minister Julio Cesar Araoz "to quickly go to Salta Province with his aides to take full charge of the situation caused there by the cholera outbreak."

* Corruption Charges Against Officials Viewed

92SM0228B Buenos Aires LA PRENSA in Spanish 12 Jan 92 p 7

[Report by Sergio Crivelli]

[Text] One can deal with ordinary inflation, but not runaway inflation. Likewise, one can "get along" with corruption, but what about uncontrolled corruption? The impressive flood of revelations and reports of corruption in recent days seems to indicate that indeed, one can.

A brief summary of these cases must at least include the following:

PAMI [Comprehensive Medical Assistance Plan]: It was shown that the middleman company hired to be directly responsible for medical care for retired persons—totaling some $100 million a year—had a mere $1,000 in capital and was set up no more than two months before it was awarded this juiciest of all contracts.

Somisa [Argentine Iron and Steel Joint Association]: The judge remanded former interventor Triaca into custody for the purchase of properties in Catalinas.

Armed Forces telecommunications system: As the result of pressure from the American Embassy to have this contract awarded to a company in that country, Erman Gonzalez decided to suspend bidding. State Department officials in Washington revealed on Thursday that decisions of this nature would cause American investors to lose interest in the Argentine market. In contrast, the Italians get along famously with the Menem Administration!

Contaminated milk: Minister Julio Cesar Araoz personally admitted that files on the indictment concerning the allegedly spoiled milk bought by Social Action had been burned.

Gas stations for automobiles: A mutual benefit society of taxi drivers approached a foreign company concerning the installation of 50 compressed gas service stations. They needed government approval and the former society president was forced—before being removed from his post by relatives of Justicialist Roberto Garcia—to go door-to-door to the offices of the Peronist Party and the Yoma family in the 900 block of Calle Florida, the very offices that figured so prominently in "Swiftgate." According to what Garcia told Radical deputies—who drafted a request for reports from the Executive Branch—pressure was brought to bear to have the service station deal awarded to CORIMEC [expansion not given], the very Italian company responsible for the red Ferrari and the overbilled airports. Since he refused to give in, the order was not signed and the deal failed.

Amira Yoma: In the midst of the "seguidilla" of scandals, Amira Yoma returned to the scene as a result of her stay at the luxurious Marabella residence of Monser Al Kassar, a Syrian said to be connected with drug and weapons trafficking in Europe.

Conspiracies

In Spain, attempting to explain so much bad luck all at once, Manzano suggested that behind all the reports was a campaign orchestrated by Gaith Pharaon. For his part, Carlos Menem attributed what was happening to a conspiracy of jealous, destructive Radicals. Neither attempt at justification stands up to the slightest analysis.

Actually, the new outbreak of scandals and reports implicating the figures closest to the president: Menem, Bauza, Vicco, the Yoma family, and so on, stems from several causes.

First of all, there are the so-called "Palace quarrels." It is an open secret at the Casa Rosada [Executive Mansion] that Jorge Triaca's downfall was precipitated by Eduardo Bauza. Somisa is one of the few companies scheduled for privatization that has enormous economic worth. Unfortunately, for those who planned Triaca's "defenestration," the beneficiary of their maneuver was Maria Julia Alsogaray.

In the case of PAMI as well as the one involving the allegedly contaminated milk, Araoz never missed an opportunity to appear—with photos—in newspapers reporting the irregularities he found. Furthermore, every report he makes is a nail in the coffin of Avelino Porto's senatorial candidacy from Buenos Aires that is so strongly opposed by Bauza and Carlos Grosso. With every passing day, Porto's chances deteriorate even further. Will he be a candidate?

Gonzalez and Bauza clashed over the Armed Forces communications system. There are currently three groups in the government: the Cavallo group, the "celestes" (reduced to Bauza and Araoz because Manzano often acts independently), and Erman, associated with the Alsogarays. It goes without saying that the

active inner circle is the source of leaks creeping into daily newspapers. They come from officials who have access to information and use it for their own political purposes.

Collection Apparatus

The request for reports from Radical deputies that irritated Menem beyond all measure includes one case of influence-peddling. There are also recurrent reports about prominent figures and places that were the epicenters of previous scandals, more precisely, the Yoma offices at 900 Calle Florida that were in the spotlight during the Swiftgate investigation. In other words, that which in political jargon is called the "collection apparatus" and which roused the fury of Terence Todman has not been dismantled a year after the events that set off the notorious Cabinet crisis.

A third factor heightening the impression that corruption is the order of the day is the casualness—not to say cheek—with which accusations are refuted. When Peronist leader Roberto Garcia learned of the report on the automobile gas stations, he defended himself in an unusual fashion: "They talk of corruption in connection with a deal that never actually took place." In other words, if it had, there would then have been corruption?

When a reporter remarked to Jorge Triaca's wife that her husband was suspected of taking a $30,000 "commission" on the properties involved in the scandal, she countered with the following argument: "Do you think we would dirty our hands for $30,000? If Jorge brought home a bribe of $30,000, I would kill him. That is not money for us. Just think, for my birthday he gave me a membership in the Jockey Club worth $25,000!"

One has to ask what the wife of the former official responsible for selling Somisa—appraised in excess of $400 million—would have done if he came home with a bribe of $300,000 instead of $30,000!

Finally, there is a corruption case for which the government bears no responsibility: social acquiescence. The majority of the population mainly worries about any threat to monetary stability and considers corruption as a lesser and perhaps inevitable evil. For its part, the leadership, the "establishment" [previous word in English], to use a 1960's term, agrees with the government on nearly everything and would rather get mad at the whistle-blowers than those they accuse!

And yet, corruption does not always go unpunished. If it reaches interests of powerful political groups, as in the case of Swiftgate, heads may roll. Which is the precise reason why a story began to circulate in the Casa Rosada Monday that Terence Todman was returning from the United States with a "list of undesirables" to present to the president. The rumor stirred up the inner circle and a crossfire of accusations as a counterfoil. All of which led to the results before us: fueling the flames of the scandal to unheard-of levels!

* Modin Congressmen Announce Tough Opposition

92SM0228A Buenos Aires SOMOS in Spanish 6 Jan 92 pp 14-15

[Report on interview with Dignity and National Integration Movement Congressmen Martin Mendoza, Horacio Aragon, and Guillermo Fernandez Gil by Anahi Abelado; place and date not given]

[Text] Martin Mendoza, Horacio Aragon, and Guillermo Fernandez Gil make up the Modin [Dignity and National Integration Movement] bench and, ideologically speaking, answer to Aldo Rico. Nicknamed "the Greens" (for their military uniforms), they nevertheless claim to be independent and follow a single watchword: providing "constructive, hard-line opposition" to Menemism.

The three have different backgrounds and loyalties. They gravitated to Aldo Rico at different times and under different circumstances and rarely ever agree on the country's political history. What they do have in common is their brand-new deputy seats representing the Dignity and National Integration Movement (Modin), their age—about 63—and one unwaivering principle: uncompromising nationalism, the single issue that brought them together behind the former military leader. They are Horacio Aragon, Guillermo Fernandez Gil, and Martin Mendoza and they came to the nation's Congress as representatives of the third force in Buenos Aires Province, promising "constructive, hard-line opposition" to the ruling party.

Behind their backs they are called "the Greens" (a sarcastic reference to their military uniforms) or the "'Painted Faces' [carapintada] deputies," epithets they downplay: "We are independents," they note." "We come from other political forces. We are civilians who believe that Rico is the man to head the movement the country needs. He has understood that he can wage the democratic struggle and wants to be president in 1995, but via the ballot box. We are going to help him through our work in Congress and we have confidence, but we have no connection with military movements."

Here They Are

Aragon is president of the Modin bench. A criminal lawyer from La Plata, he has been affiliated with the nationalist right since his youth. He confesses a side trip with FORJA and time spent as a disciple of Julio Rodolfo Irasusta, who instructed him in the ideas of republican nationalism. First for the Republican Union Party and later the Party of Independence, he was, as he personally admits, a "candidate with no chance" of occupying various elective posts. His friends, military and civilian, put him in touch with Rico when the latter was being held at the military prison in Magdalena. The two exchanged letters and ideas, followed by a habeas corpus appeal which Aragon filed alleging the unconstitutionality of that imprisonment and obtaining the lieutenant colonel's transfer to Campo de Mayo.

The two thus met face to face for the first time and began to plan the movement that came to fruition with the 8 September election gamble.

A widower with three married daughters, Aragon did not hesitate to close up shop and follow his leader in his prosyletizing campaign. "I staked it all because I was sure we would be successful," he says in his irresistible, no-room-for-doubt style.

Fernandez Gil took a different route to the Modin camp. He had served the government in various capacities: as ambassador to Belgium under the Radical Government of Arturo Illia; as national deputy for the Christian Democrats (1973-1976) and, under the administration of General Roberto Viola during the recent military trial and as minister of government of Buenos Aires Province. He had advised the Pirelli group on business matters for 22 years.

He took his first steps when he co-founded the Christian Democratic Party in 1954. "Peron was in power," he now recalls, making no attempt to conceal his dislike. "We did it underground." He later left the party "when it took a complacent attitude toward terrorism" and, along with the late Francisco Manrique, founded the People's Alliance of the Center.

Identifying with nationalism, he was an enthusiastic supporter of the Holy Week military uprising, of which he had advance notice thanks to his friendship with some of the insurrection's leaders. "I went in person to the Infantry School to offer Rico my support and my home, where he and his family would be safe. That home is a villa in Bella Vista, where his wife lives with two of his eight children and where Rico found asylum for a few days. Given Gil's courteous, distant air so reminiscent of his diplomatic past, there is not the shadow of a doubt that he is telling the truth.

Martin Mendoza's association is more recent and his presence in the Chamber of Deputies is the most irritating to the ruling party, particularly Alberto Pierri. Mendoza has for 35 years been a member of La Matanza's Justicialist movement, the Peronist bastion of Greater Buenos Aires. A urologist, for the past 2.5 years he has served as director of Agudos Santojani Hospital. His personal prestige, along with his activism as the district's point man, was a veritable bone in Pierri's political throat when Mendoza decided in March of this year that Modin could do a better job of representing "the 20 truths of General Peron than this government, which surrendered the country and erased the rights of the worker and his seniority."

Independence Without Alliances

[Abelado] Will yours be a party of direct opposition?

[Aragon] We shall wage a hard-nosed but civil opposition. We do not intend to be snipers.

[Abelado] Have you talked with other blocks? Will you follow a course of alliances?

[Aragon] No, not yet. We do not even have offices yet. As for talking, we are willing to talk with anyone. We do not refuse to hear anyone, but we are not going to form any kind of alliances. We shall agree with those who defend a national program opposing subservience and for the good of the country.

[Abelado] Do you have contact with the Republican Force or with General Bussi's people?

[Gil] We have nothing whatsoever to do with Bussi; we are not a militarist party. He is liberal and we do not adhere to any liberal posture.

[Abelado] What do you think of this government?

[Aragon] That it is the worst in history.

[Abelado] You could go so far as to vote with the leftist and center leftist parties?

[Gil] Yes. That is what many say, but it is one thing to vote together against something and another to offer a different alternative. We have no problem with coming to an agreement.

[Abelado] What role will Rico play in this legislative task? Will he be consulted on important issues or have a presence in Congress?

[Mendoza] For two months now, teams of professionals specializing in economics, ecology, and various other fields have been working and studying trying to acquire the training we lack in certain areas. I am a doctor and intend to be part of the health commission. I have proposals on public health and municipal affairs, but I must be informed on many other matters. All of this is being done at Rico's request. He organized the classes. However, as for the rest, we shall be independent in our work, the purpose of which is to create a great movement in 1995.

[Abelado] What will be your position on constitutional reform?

[Aragon] Against. There is nothing in the existing constitution to prevent one from governing well. Rather than undertake any reform of it, it would be more fitting to apply it.

[Abelado] And what is your view on privatization of the social welfare system?

[Aragon] That they are going to privatize the nation's hunger!

[Abelado] And what of the other privatizations?

[Gil] We are not opposed as a matter of principle, but we do oppose any preference given to foreign buyouts. We propose giving preference to national capital.

[Abelado] You say you have foreign policy proposals. What are they?

[Gil] Returning to integration with Latin America. We are not anti-American, but we want a nation-to-nation relationship, not "carnal relations." Another outrageous thing is Terence Todman's improper, impetuous meddling.

*** Somisa Interventor Implicated in Fraud**

92SM0229A Buenos Aires SOMOS in Spanish 30 Dec 91 pp 4-9

[Report by Jorge Grecco: "With Friends Like That..."]

[Text] Between 18 and 30 September 1991 the "Tete" restaurant in San Antonio de Arceo was patronized at lunchtime by senior officials from Somisa [Argentine Iron and Steel Joint Association], including its interventor Jorge Triaca. The owner of the restaurant, Elena R. de Scarano, made note of the following detailed information: There were nine lunches; a total of 83 persons came; a bill of a little over $1,600 was run up; and a floral centerpiece (200,000 australes) and two bottles of Suter white wine (120,000 australes) were sent to the table on 19 November [as published]. The bill was sent to Somisa headquarters and arrived there on 8 October. Triaca authorized payment and added in his own handwriting: "Process immediately for payment. If payment is by check, make it out to Elena R. de Scarano; if in cash, to Mr. Hector Scarano."

This story would not be of much significance were it not for the fact that it involves a ruined enterprise and an interventor who is in the eye of the storm for having, among other things, put the joint association $3.5 million in debt (through bank loans) to buy four floors of office space (costing a total of $5 million) in the Catalinas Norte area.

The story would not deserve much attention either if it were not, in fact, a clear-cut example of how Triaca performed as Somisa's interventor with a view towards its subsequent privatization. His administration has been riddled with irregularities, now compounded by this shady purchase of office space. So shady is it that President Carlos Menem, unlike in the Vicco affair, has said: "He will now have to suffer the consequences, because someone who does not have a head to think with, better have a strong back to bear the burden." And the governor of Buenos Aires, Eduardo Duhalde, has asserted that the transaction is "a blunder" and that "the president has good friends, but at times things surface such as the purchase of this building in Catalinas, which has made him awfully upset." These two comments could well be engraved on the political tombstone that may be in store for this imperial interventor.

Retrenchment, But Not That Much

In one of his first decisions as head of Somisa, Triaca made his little contribution to the prosecution of his predecessor, Juan Carlos Cattaneo, for the huge increase in the enterprise's deficit. A short while thereafter, the former union labor announced a harsh retrenchment policy that, among other things, called for the dismissal of 4,500 workers. Privatization of Somisa was the end being sought.

Yet Triaca also made it a point to increase the payroll. He hired more than 70 advisers, placed his friends and the friends of his friends in key posts, made indiscriminate use of reserved enterprise funds (he once withdrew $22,000), and earned the dislike of one and all.

But all of this happened without much ado. And this is the way it was until CLARIN published the scoop that the justice system was investigating Triaca for the purchase of 24 offices. The information in the hands of Judge Martin Irurzun and prosecutor Gustavo Bruzzone could be summarized as follows:

- Somisa purchased floors 7, 8, 9, and 10 in the building located at 1020 Madero (Catalinas Norte) under a direct contract. Then, when it realized that this was not enough, it decided to rent additional office space on the ground floor, which is owned by the Conurban company.
- Two real-estate firms were involved in the transaction: Fernando Monsegur and Associates S.R.L. [limited-liability company] and R.R. Franchino S.R.L. The clerk who oversaw the transfer of the offices belonging to the Dupont firm was Miguel R. Solanet. Monsegur's and Franchino's fees came to 1,153,040,000 australes each ($100,000 at the uncontrolled seller's exchange rate for bills as of 6 September 1991), while Solanet's fee was 1,067,100,000 australes (a bit less than $100,000). There were reportedly other expenses too, totaling several thousand dollars, for remodeling, the installation of telephone lines, and believe it or not, floral arrangements).
- There may be some sort of link between the real-estate companies, the clerk's office, and Somisa executives. For this reason, the offices of the three firms involved were searched.
- The investigation of Triaca's personal fortune could be one of the direct offshoots of the Somisa affair. The "excuse" for instituting proceedings in this instance is to be found on the title page of the case file that Irurzun is in charge of: "Alleged failure to comply with the duties of a public official and possible defrauding of the public administration."

This last point seems to be one that really rubs Triaca the wrong way: "What do I have to explain: whether I have money, why I have money? I do not have to explain anything to anyone. I have already explained it to the people to whom I have to explain it. You cannot make policy on the basis of events that are anecdotal. I have a union in which the reports and the balance sheets were always approved at general assemblies. We never had recriminations. My union is democratic. My father was

its founder, and when he passed away, I became leader, but because I worked.... The problem is that this society often does not admit that people can become qualified or better themselves without having their hand in the till. What society is trying to do is pass on frustrations to those who do not have them" (GENTE, 11 July 1991).

Triaca's sociological explanation actually hides a past that is full of rumors, and his justifications of his wealth have been so confused that he himself tends to offer differing interpretations. The only thing that seems certain is that his time in organized labor has insulated him from economic hardship today. This is a status that is much more common in Argentina than one might think.

A Self-made Man

On 30 May 1941, Jose Maria Triaca and Dolores Rodriguez celebrated the arrival of a new son. Jose (as they christened him) was born in a clinic on Viamonte Street and grew up in a tenement on Independencia Avenue. His first job was as a shoeshine and newspaper boy in his time off from school (he was in the fourth grade at the Patricias Argentinas school).

When he was older, he tried his luck in a machine shop, a print shop, and as an office boy at the El Ateneo bookstore.

His personal fortunes began to change, however, when his father founded the Plastics Union. Only Jorge Triaca knows to what extent this tiny union, which was thought of as a tool for organized labor, has influenced his political career.

As far as finances are concerned, as he himself relates, it was his marriage that fattened his thin wallet. In 1967 Triaca married Haydee Requena, an obstetrician and the daughter of Elvira Gomollon. The interventor of Somisa is tired of explaining that his mother-in-law is a wealthy woman who has helped her family whenever she could.

Triaca "inherited" the union after his father's death and even though he says that he was one of the workers in the Establecimientos Plasticos Neuquen firm, the widespread feeling is that he was always a labor leader, never a laborer.

The first major scandal in which Triaca was involved was the "Partagas affair" (see box); this was also the first time that he mentioned his mother-in-law to explain the pocket money he had accumulated. On 31 October 1982, around when the affair came to light, the head of the plastics union in the northern zone, Juan Carlos Maso, leveled serious charges at Triaca. He accused him of siphoning off union funds "to amass a fortune as large as it was spurious" and wondered "how can Mr. Triaca justify ownership of the luxurious mansion on Melian Street when his mother-in-law, the apparent owner of record, is a caretaker at a school?"

The last time that Triaca was confronted with the old charges, he flew off the handle. In an interview with the magazine GENTE, the Somisa interventor said the following:

- "....I did not make the money by working. Not the money you are talking about. I worked and was paid what I deserved. No more and no less. But the wealth that we are talking about does not come from my work."
- "It is a family asset. You already know that, I have said it repeatedly. It has been certified, it has been documented, taxes have been paid. No one can deny it. And if it belongs to my family, the least that I can do when I have nothing to do is try to defend it. I would be afraid if I had kept something that belonged to somebody else. If you run across anyone who has paid me anything, anyone who has bought me a cup of coffee, we will start the interview over."
- "At the first meeting that I had here (Somisa), I told everyone: 'I have come here with many accusations against me.' They are resurfacing now. Why? Because Somisa handles $800 million a year. A number that is tempting to many. But I am already a member of the Jockey Club, I already have horses, I already have cattle, I have farms, I have a family, I have educated children, I have everything.... How are they going to buy me? The president has called on me because he believes I am honest. Someone is trying to make me look dishonest."
- ("Who?) I wish I knew. There are people who talk unnecessarily. There are nine of us in my family, including my mother-in-law, who has always lived with us. There is a club near my home, the Jockey Club. My mother-in-law and my wife calculated how much it would cost to belong to the club. They then said: 'Why don't we give it to Jorge as a present. He likes horses so much and he likes so much to share the experience with little Jorge?' Because my son is the one who is passionately fond of horses. There is so much talk about "Big Head".... "Big Head" is a family business. He is not mine; he belongs to my family."

Triaca can, it is true, feel pleased with his financial status. He currently lives in the stylish San Isidro neighborhood of La Horqueta. His six children romp through the 12 rooms of the large family home and attend schools such as Nacional Buenos Aires and Cardenal Newman.

The Triaca family also owns the stud horse "Big Head," which is worth an estimated $150,000, and several racehorses along with different partners. This year it paid the $25,000 fee to join the Jockey Club.

The Difficult Farewell

Those who know Triaca well swear that nothing can shock him anymore, that he does not care about the charges. To judge by appearances, this is certainly true.

Jorge Triaca was never your average labor-union/political leader. Regarded by friends and enemies as a good negotiator, the Somisa interventor was able to utilize his strong political pull to keep himself in the right places no matter who was in power. He did not fight with the military (although he spent time in jail), or with the Radicals, or with the renewal group, or with the orthodox faction.

Instead of the traditional leather jacket, he chose a suit and tie in which to walk through the corridors of power. He founded and merged several "CGT's" [general confederations of labor], and frequented business circles and the U.S. Embassy at a time when in Peronist folklore this was virtually treasonous.

He sat in the most important chair in the Labor Ministry and then left without much ado. He became interventor at Somisa much to the annoyance of the followers of metalworkers leader Lorenzo Miguel.

He has been a Menem backer from the beginning, besides being a personal friend of the president. He is not given to humility and, to be sure, affects an immodest style that has earned him more antipathy than support.

When the matter of the office purchases broke, Triaca and his family were on a cruise, sheltered from the political troubles that cyclically descend on the government.

On the basis of his personal conduct Triaca wants to put himself beyond good and evil, whether as a labor leader, a politician, a minister, or an interventor.

The checkered flag needs to be waved on Triaca's zigzagging career. Perhaps he himself will be the happiest of all if this is the ultimate verdict. He will have more time for his horses and his business es. And he will do less harm to his friends.

[Box, p 5]

Corruption: the Bone of Contention

The drop in inflation, the struggle against the budget deficit, privatizations, economic liberalization, the first real signs of recovery, the return of credit, deregulation, Argentina's incorporation into the new international context, the move towards normalizing relations with multilateral agencies (the IMF, World Bank) and creditor banks, the reform of the central government, the consolidation of the democratic system. Unequivocal and historic accomplishments of a process that has been legitimized at the ballot box and the main obstacle to which seems, paradoxically, to lie within itself, within its own dynamics. In the view of serious classical-liberal theoreticians like Guy Sorman, corruption represents the obstacle that this bold and change-minded administration is tripping over time and again.

Man, especially political man, is the only animal in the universe who falls into the same hole twice. And such corruption scandals could wind up overshadowing the many accomplishments through which Carlos Menem hopes to go down in Argentine history as a true revolutionary. Amira and Emir Yoma, Mario Caserta, Omar Fassi Lavalle, Antonio Vanrell, Luis Barrionuevo, and Julio Mera Figueroa were some of the "die-hard" colleagues who wound up causing the president more headaches than satisfaction. As this "hot" summer begins, the list has unfortunately grown longer. And oddly enough, the issue does not worry the administration's enemies as much as it does its long-time friends.

Sorman wrote this very week: "They will tell me that corruption is nothing new. But what is new is that for the first time there is the danger that in the public's mind it may be associated with the privatizations.... Consequently, it is essential that the privatizations take place in the most up-front and honest manner possible."

The enemies of those who are promoting a market economy and incorporation into the First World are enjoying the dubious pleasure of sarcasm. Friends feel that the process has to be cleaned up so that privatization does not fail. Meanwhile, the administration looks at both sides with knitted brow, as if the black hand of bad faith lay behind each expose of dirty dealings.

At this juncture it would behoove the administration to learn how to separate the wheat from the chaff and, with First World tastefulness, to sidestep the scandals that it seems determined to trip over time and again.

[Box, p 7]

Partagas: Owner Selling Lot

Nine years before Somisa, on 22 October 1982, Triaca was involved in the sale of a lot to the Partagas Housing Cooperative Limited, which consisted of a score of military officers. The 2,150 square meter lot, located at Melian 2051/73 and owned by his mother-in-law, Elvira Gomollon, was sold to Partagas for $1,525,000, even though lots like it were valued at $600,000. On 29 August 1980, $457,000 was paid out as the guarantee deposit, and the rest a month later with the deed. The Banco Provincia gave the buyers a loan on overly favorable terms, and when the scandal broke, Triaca was regarded with suspicion. His wife, Haydee Requena, countered the stories: "There are people who say that it is odd for Jorge Triaca to have made this deal, and with the military. But it is a coincidence of fate."

[Box, p 8]

S.R.L. Comandos

On 27 September 1991 Somisa received a note from the investigations and security firm Comandos S.R.L., containing "a budget for a security service as per your request." The letter was addressed to interventor Jorge Triaca and promised, among other things, the following:

- "As a company that specializes in comprehensive security, Comandos S.R.L. is legally, technically, and

professionally qualified to prevent all forms and manifestations of crime. To this end, it has authorization number 1210 from the Federal Police and authorization from the Province of Buenos Aires under file 2203-95930-90. Characteristics: Security service, consisting of uniformed, armed personnel."

- "All personnel assigned to the service will be evaluated and trained in advance by Comandos S.R.L. at no cost to the client."

The director of Comandos is Lieutenant Colonel Ernesto Dario Fernandez Maguer, one of the best known members of the "painted faces" faction of the military; he was relieved of duty in the wake of a full-fledged scandal. The security firm has two technical executive directors also, however. One of them is General Justo Auel, who is well liked by Aldo Rico's and Mohamed Ali Seineldin's people. Auel had to leave the army after a bitter argument with its then chief Jose Dante Segundo Caridi.

This is not, of course, the only surprise that may be found at Somisa's document reception desk. The descriptions of lunches (see main body of article) are also a natural topic for the employees of the association.

[Box, p 9]

Account for Transfer

Amid all the other odd things going on in Somisa, a letter from the Laco Group of Companies W.A. Ltd., a Nigerian import-export firm, is noteworthy for its business proposal. Arriving at the reception desk this past 19 August and given the number 980251, the letter is addressed to "The Chairman, Somisa, Belgrano 737, 3d floor." A client of the Laco group needs "a foreign partner to help him transfer $35.5 million into your account." If Somisa were to agree to the transfer, the Laco group says in conclusion, it would receive a 10 percent commission, plus 5 percent of the total amount when the transaction is completed [the original letter in English, reproduced in the text alongside the box in Spanish, makes no mention of an additional five percent commission; it states that if Somisa is not interested in accepting the transfer but can refer the Laco group to someone else who is, Somisa will receive a five percent commission].

Brazil

Collor Conveys Support to Venezuelan President

PY0402161092 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 4 Feb 92

[Excerpts] President Fernando Collor spoke early this morning with Venezuelan President Carlos Andres Perez by phone.

Collor condemned the coup and conveyed Brazil's support to the Venezuelan president. [passage omitted]

The two presidents spoke before 0700 this morning. Collor read a note on behalf of all Brazilians, condemning the coup attempt and conveying the Brazilian Government's support for democracy in Venezuela and throughout Latin America.

Collor then met with Foreign Minister Francisco Rezek for more than one hour.

[Begin Rezek recording] We can see a collective determination to prevent the occurrence of this type of adventures anywhere in the world.

Almost all governments have already gone through a process of improvement and can no longer coexist with unconstitutional actions like this. [end recording]

Army Denies 'Disagreement' Over Nuclear Power

PY0502001492 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Feb 92 p 13

[Quotation marks as published]

[Text] This is the text of a note released by the office of the Army minister:

"In its 2 and 3 February issues, O ESTADO DE SAO PAULO published reports related to the activities of the Army Technological Center (Cetex) in the nuclear sector; in an editorial, it introduced the belief that the Army is presumably going against the government's determination on the matter.

In this respect, the Army's Social Communications Center makes the following clarification:

The Army is participating in Brazil's energy sector efforts, which have been going on for some time now. It has never carried out any activity that has been in disagreement with the government's directives, and it will not begin doing so at this time.

Since the beginning of the current government, the Cetex installations have always had their doors open to the special working group that was organized to evaluate the National Nuclear Energy Program (Pronen) and to Congress' Special Investigative Committee.

On the basis of the recommendations made by the working group, the government, through the Strategic Affairs Secretariat, regulated the activities that were to be carried out by research organizations (both civilian and military). This included Cetex, which was authorized to continue with its projects.

The matter was fully discussed by the media when it visited the center's installations in Guaratiba, Rio de Janeiro.

Thus, the assertions in the said reports that the Army is presumably "confronting" the government and helping to provoke "international disagreements, do not have any basis at all. They are totally untrue."

*** Tinoco on Budget Cuts, Role, Privatization**

92SM0223A Rio de Janeiro MANCHETE in Portuguese 18 Jan 91 pp 82, 83

[Interview with Army Minister, General Carlos Tinoco in Brasilia during week of 5 January: "The Political Action General"—first two paragraphs are MANCHETE introduction]

[Text] General Carlos Tinoco is the most nonpolitical of ministers that the Army ever had, but that does not mean he has abstained from political action. Gen. Tinoco is not in that procession of thundering ministers of the past who were eager to involve themselves in all national questions, even those questions that had nothing to do with them. But he does not fail to state the Army's position whenever a question does involve that branch of the Armed Forces. In cabinet meetings he expressed an opinion on the extensive area set aside for the Ianomami Indians, but once the decision was made, he espoused that decision as if it had been his own. He disagrees with the IMF's recommendations that Brazil reduce even further its budgetary allocations to the armed forces, but in responding to the interviewer's question he insists that this matter is the province of Congress.

One characteristic sets this general apart from almost all of his predecessors: he grants interviews and is always willing to clarify any questions. Last week he received MANCHETE's reporter in his office in the urban military district of Brasilia for this exclusive interview.

[MANCHETE] Is Brazil being contacted to become part of a UN Peace Force to go to Yugoslavia? From which units would this Brazilian contingent come, and what would its mission be?

[Tinoco] Up to the present moment the Ministry of the Army has not been contacted officially in this respect. In the event the mission is made official, we have all the prerequisites for fulfilling it. Suffice it to recall our meritorious action in the Suez Canal region almost 40 years ago.

[MANCHETE] The IMF and the World Bank want Brazil to reduce still further its budgetary allocations to the armed forces. Doesn't that amount to improper interference?

[Tinoco] The budgetary allocations to our armed forces are already substantially reduced. In any event, this is a matter to be decided by government, including the National Congress.

[MANCHETE] Last year was one of restraint in all activities of the public sector. The Army was obliged to make many sacrifices. If this continues, are the armed forces running the risk of becoming inoperative?

[Tinoco] There is no such risk, even though funds are scarce and we are working with a volume of resources that is not ideal. The resources, although reduced, have allowed the Army to carry on—in normal fashion—its training program, its preparation of the integrated contingent, and its military exercises. In short, the vegetative life of the units has functioned normally. We have merely had to speed up the release of a part of this contingent.

[MANCHETE] What do you have to say about the campaign against the armed forces being waged in magazine and newspaper articles and in political speeches to the effect that we could even lose a war with Argentina because of a lack of modern equipment?

[Tinoco] There is such a campaign, and we are aware of it. It originates mainly with sectors that are interested in creating difficulties for the armed forces. But the public realizes that the armed forces are necessary and understands the role they have played throughout the years. It also appreciates their identification with our national aspirations. Our armed forces are in fact working with equipment that needs to be replaced; some of it dates back to the time of the Korean War. This equipment is sufficient, however, to halt any aggression against our national territory.

[MANCHETE] What is the role of the armed forces in this last decade of the century?

[Tinoco] The armed forces are experiencing a period of discussion that will reach the National Congress, and we are sure that the legislative branch will understand fully that a country such as Brazil cannot dispense with its armed forces, which it needs to guarantee its self-determination and territorial integrity.

[MANCHETE] What about the question of pay? Is it fair for a colonel to receive the same salary as a congressional chauffeur?

[Tinoco] No, obviously not. All this, however, involves the question of pay equality among the three branches of government. I have been saying ever since last year that this is at the heart of the question, and I believe we are on the way to solving this problem.

[MANCHETE] Are young people now less inclined to seek a military career?

[Tinoco] I do not think so. As far as the number of applicants is concerned, I believe the opposite is occurring. What is happening today is that young men seeking a military career are motivated to do so—something that did not happen up to several years ago, when opportunities were fewer. Formerly, many competed for jobs with the Bank of Brazil or else pursued a military career. Today, young men seek a military career because they want one. If they really do not want one, they have a broad range of options.

[MANCHETE] Is it true that the social profile of the cadets is declining each year, and that already many of them are from the favelas [slums]?

[Tinoco] Our observations indicate that every year a larger percentage of applicants is from the middle class. There is an increasing interest in a military career among the middle class. Our information is that an occasional applicant does come from the favelas, and this means a greater degree of democratization of the universe of those who seek a military career. We absolutely do not represent a caste or an elite.

[MANCHETE] Could this—not in the short or medium term but over the long term—bring the military establishment to a more populist political position?

[Tinoco] I do not think so. Generally speaking, the Army has a very close relationship with the people that does not constitute populism. Our close relationship should be interpreted in the best sense of the phrase, because we are trying to help those who are in need regardless of whether we are asked. When a natural disaster of any kind occurs such as a flood, the news of what occurred is most often accompanied by the news that the Army is aiding the needy population.

[MANCHETE] With the breakup of the Soviet Union, the world is now led by a single superpower. From the standpoint of world peace, is this a good thing? Does it change anything in our security strategy?

[Tinoco] I would not say that the world is now led by a single superpower, because the fragmentation of the Soviet Union has had the effect of creating a country that is also a world power: Russia. I believe that this new country, just like the Soviet Union, will serve to establish a balance of power in the world.

[MANCHETE] It would seem that the danger of communism has disappeared. What should be done to eliminate the danger of poverty and destitution?

[Tinoco] This is one of the biggest problems not only of Brazil but of the world. For our part, I believe that first of all we should produce food. Second, our educational system should prepare our citizens for a healthy and responsible life that is consonant in every respect with ethical precepts.

[MANCHETE] Do you agree with the theory that the entire world should be based on open competition? Is it possible for a poorly nourished child to compete with a well-nourished child, or for an underdeveloped country to compete with a developed country?

[Tinoco] It is difficult. Where children are concerned, we all know that there is irreversible damage to the brain of a child who is not adequately nourished during the first two years of life. Hence the importance of a comprehensive and complete upbringing from birth. It is essential that children be adequately nourished, for otherwise they will be unable to compete. Among nations the focus of the problem is somewhat different but is basically similar: the poorer nations must have very great determination in order to be able to stand up to the wealthier nations. The world's problem is economic, one of competing interests. The poorer nations need to record a great achievement of some kind.

[MANCHETE] What would Brazil's great achievement be?

[Tinoco] Brazil has tremendous potential that needs only to be developed. I imagine we can reach agreements with wealthier countries that need raw materials. In exchange for supplying these raw materials, they could give us the resources that will enable us to spur development. Technology is basic, and obtaining it is always difficult.

[MANCHETE] Are there some people who are interested in Amazonia?

[Tinoco] Interest in Amazonia is not great. Amazonia is an enormously rich region, and we need to develop its resources. This kind of development is not always of interest to other countries, and that's where the problem begins.

[MANCHETE] Does demarcation of the Ianomami lands threaten national security?

[Tinoco] No. When the subject was under discussion, the arguments linked to national security were brought forward. From that standpoint, the fact that the Ianomami area is adjacent to a country that also has Ianomami Indians and demarcated areas is not advantageous. But this is an aspect that relates solely to security. We in the military place great importance on intellectual discipline. The matter was discussed thoroughly. At a given moment the commander—in this case, the president of the Republic—made the decision. At that point we ended our discussion.

[MANCHETE] Do you agree that 9.5 million hectares are needed for a total of 10,000 Indians?

[Tinoco] The area would appear to be excessively large.

[MANCHETE] Do you regard the incident regarding the bidding on the Army uniforms as closed? What lessons can be drawn from it?

[Tinoco] We do not regard the incident as completely closed, because we still have not acquired the uniforms. That is entirely dependent on the release of the funds, however, which remains to be done. The lesson we have drawn is the same as the one we have drawn before and have been trying to avoid for at least six years. Every year, our budget does not enable us to have the funds to buy uniforms. Inasmuch as uniforms are something we need for the following year, we use whatever funds are available and in the second half of the year request the supplementary funds that will enable us to buy the uniforms. This supplement is invariably approved at the end of the year, however, and when the funds are released we have virtually no useful time left and the funds are transformed into balances to be paid. This is the source of the whole problem. You do not know when payment will be made. We need to be in a position to make the purchase at the beginning of the year: first,

because we would be buying at a lower price, and second, because we would have greater stability. Lastly, we would not be under pressure every year's end, when inductions are near at hand. Everything depends on the funds derived from the budget, however. This is the main problem.

[MANCHETE] When you privatize basic industries, don't you run the risk of seeing them come under foreign control?

[Tinoco] I do not think so. The very privatizations that have already occurred demonstrate precisely the opposite. A much greater foreign participation had been expected, but did not occur. The reality is that we genuinely need to privatize. This does not represent an inconsistency vis-a-vis the preceding era, in which state industries were being created. That was a phase during which in order to have these industries, they had to be state-owned. Private capital was not interested. Today, it is different; private capital is now interested. This is the time for us to begin privatization, so that the State will have the resources to use in basic areas such as education and health.

[MANCHETE] Do you believe that the state petroleum monopoly should be ended?

[Tinoco] That is a controversial subject. I have always been in favor of risk contracts, if we have petroleum. If we do not have sufficient funds to discover where the petroleum is, why not use foreign capital for the purpose? Under the terms of contracts that are respectful of our interests, of course.

Chile

Aylwin Expresses Concern Over Coup in Venezuela

PY0402174692 Santiago Radio Chilena Network in Spanish 1600 GMT 4 Feb 92

[Report by Jimena Fricayota at La Moneda]

[Text] President Patricio Aylwin has rejected, in the name of his government, the frustrated coup d'etat in Venezuela. In a communique read by Edgardo Riveros, acting minister of the Government Secretariat General, President Aylwin expressed his concern over the frustrated coup in a brotherly country that was politically stable, particularly now that democracy is being consolidated in the continent. Aylwin also stated that he expressed his solidarity to Venezuelan President Carlos Andres Perez. He added that he had instructed the Foreign Ministry to contact other foreign ministries to coordinate ways of supporting democracy in Venezuela.

[Begin Riveros recording] I was very concerned when I was informed of the frustrated coup d'etat against the constitutional Venezuelan Government. Fortunately, the latest news is that the problem has been solved.

I must categorically reject the regrettable deeds that occurred in a brotherly nation which has proven so politically stable particularly now that democracy is being consolidated in the continent. I have conveyed to President Carlos Andres Perez my complete solidarity with the Venezuelan people and government. I have also instructed the Foreign Ministry to contact other foreign ministries and coordinate ways of supporting democracy in Venezuela. Regrettable as they are, situations such as the one occurring in Venezuela allows the Chilean people and government to confirm their relentless support for democracy and for the values that inspire it. The institutional order of a country can only be based on these values. [end recording]

Riveros also pointed out that democratic governments are supported by the people, which makes it possible to frustrate any sort of coup. He added that the situation in Venezuela is normal and that the Chilean ambassador to that country has been instructed in accordance with the events taking place there.

Riveros concluded by saying that the government has been in permanent contact with the Chilean Embassy in Venezuela and can thus assert that the rebel group has already been subdued.

Terrorist Group Leader Charged; Weapons Seized

PY0402134792 Santiago Television Nacional de Chile Network in Spanish 0130 GMT 4 Feb 92

[Report by Antonio Quinteros; speaker identified by caption]

[Text] Pedro Mendoza, member of the Movement of the Revolutionary Left [MIR], was turned over to the courts today. He is charged with belonging to an extremely dangerous terrorist group that was planning a number of attacks against government officials.

This is Pedro Maria Mendoza Vargas, a 32-year-old electrical engineer. According to police, he is the second-highest leader of the so-called MIR People in Arms Detachment, which is an incipient criminal organization that was planning a number of terrorist acts in our country.

[Begin Investigative Police Officer Armando Munoz recording] The police operation disclosed this criminal organization's plans, which included attacks against judges, the Supreme Court president, and other high-ranking officials. The terrorists also had planned a number of other crimes to finance their activities. Members of other terrorist groups linked to the Manuel Rodriguez Patriotic Front [FPMR]—who contributed weapons, explosives, and know-how—also would participate in these attacks. [end recording]

The following arsenal was seized at Mendoza's home: two rocket launchers, four FAL rifles, two submachine guns, one M-16 rifle, one Taurus revolver, 12 rocket

launcher propellant charges, and 250 cartridges. The arsenal was placed at the disposal of the courts.

It also has been reported that Mendoza is linked to the death of three FPMR members who died on 31 January 1988 while dealing with explosives in an apartment in Villa Portales shantytown.

Aid to Victims of Pinochet Regime Approved

PY2901121492 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 28 Jan 92

[Excerpt] After more than 10 months of debate, the Chilean Congress has approved the government proposal that will benefit those victims mentioned in the report drawn up by the Truth and Reconciliation Commission headed by Raul Rettig.

This draft bill was unanimously approved by the Chamber of Deputies. It basically contains two initiatives proposed by the jurists who drew up the Rettig Commission report that was submitted to President Patricio Aylwin last year.

One proposal refers to the creation of an organization that will be named the National Reparation and Reconciliation Corporation [Corporacion Nacional de Reparacion y Reconciliacion]. The purpose of this organization will be, among others, to cooperate in the search for the remains of arrested and missing persons who still have not been found.

The other proposal is to give a monthly pension of between 21,000 and 140,000 pesos to the next of kin of the 2,271 victims mentioned in the Rettig Report. Among these victims are also uniformed policemen who died in terrorist actions.

The Chamber of Deputies session was closely followed by members of the organization of relatives of arrested and missing people. [passage omitted]

Colombia

Government Requests OAS Session on Venezuela

PA0402145692 Paris AFP in Spanish 1427 GMT 4 Feb 92

[Text] Santa Fe de Bogota, 4 Feb (AFP)—The Government Palace in Bogota announced on 4 February that Colombia has requested an urgent meeting of the OAS Permanent Council to discuss the attempted military coup against President Carlos Andres Perez' administration in Venezuela.

The session, to be held at the ambassadorial level, is to take place at 2100 GMT in Washington.

Colombian President Cesar Gaviria headed a movement this morning to have all Latin American presidents reject and condemn the abortive coup against Perez.

Gaviria Strengthens Relations With Venezuela

PA0502020592 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 5 Feb 92

[Text] The unity of Latin American governments was strengthened on 4 February. The first show of support for Venezuelan President Carlos Andres Perez came from Latin American leaders by the initiative of Colombian President Cesar Gaviria:

[Begin Carlos Andres Perez recording] President Gaviria served as the spokesperson for Presidents Carlos Salinas de Gortari, Alberto Fujimori, Carlos Menem, and other Latin American presidents, to let me know that they had issued to the media a very strong communique stating that they would never accept the trampling of the fatherland of Bolivar by a new dictatorship. [end recording]

The first show of support for the Venezuelan president was a telephone call from Narino Palace. President Gaviria started a diplomatic offensive at midnight on 3 February in favor of Venezuelan democracy and managed to produce the signatures of 15 leaders on a text drafted by the Colombian Government.

That gesture strengthens the personal friendship between the two rulers and gives the relations between the two governments—including those pertaining to their border conflict—the tone that Colombia has always wanted to maintain.

However, Colombia's image in Venezuela could now be tied to Carlos Andres Perez, who enjoyed international but not popular support. The Venezuelans who tried to loot stores on 4 February are the same ones who have protested against Perez' economic policy for the past two years. They applaud neither Colonel Chavez' surrender nor the victory of democracy represented by their president.

The passiveness of the Venezuelan people casts doubt on Perez' openness policy and serves as a warning to the governments that tolerate increasing poverty. The world had the feeling that a dinosaur was on the loose in Caracas. Coup supporters and military dictators are an extinct species in Latin America. Col. Chavez had to admit that reaching power through the use of weapons is an impossible mission. Only our guerrillas still believe it is possible.

Escobar Reportedly Operates From Prison

PA0202200292 Santa Fe de Bogota EL TIEMPO in Spanish 28 Jan 92 p 8A

[Text] A letter and a cassette, whose authenticity is being verified by the authorities, have alerted the state's security agencies to the possibility of a death threat against high-ranking police officers and a former minister.

The letter—authenticated by a thumbprint and signed by a man who identifies himself as Carlos Arturo Urrego Pelaez, alias Caliche, a former member of the Medellin

Cartel—stated that Pablo Escobar Gaviria still controls the cocaine market and commands terrorists.

According to the letter, terrorists clandestinely visit the drug trafficker at Envigado Prison after paying bribes to the military patrols in charge of the prison's external security.

The alleged terrorist recorded a cassette reporting that Escobar has issued orders to perpetrate attacks on Cali and to organize surveillance of the following people: Generals Miguel Alfredo Maza Marquez, Octavio Vargas Silva, and Miguel Antonio Gomez Padilla; and former Justice Minister Enrique Parejo Gonzalez.

A photocopy of the letter and a copy of the cassette—whose addressee was President Cesar Gaviria—arrived at EL TIEMPO's offices on 27 January.

The alleged terrorists' report was treated with skepticism by the authorities.

"There are undoubtedly people who want to obstruct the process between the national government and The Extraditables," it was stated by 4th Brigade Commander Gen. Gustavo Pardo Ariza.

The officer minimized the information contained in the letter and said that "this is all part of the effort to exploit the situation that resulted when Medellin Cartel members surrendered."

Gen. Pardo said: "We are quite strict with authorizations to enter the prison."

Nevertheless, he did not rule out the possibility that "this may all be a plan prepared by The Extraditables to continue as headline news and to get better protection during their imprisonment."

A Justice Ministry source said that "the admission controls operating in Envigado and Itagui make us skeptical about the veracity of these reports."

The alleged terrorist confesses, both in the letter and in the cassette, that he has worked for Escobar in Bogota, Cali, Cartagena, and Medellin.

According to the alleged "Caliche," two months ago in Medellin a man known as Wilmar Dario Braun Rojas "told me that the patron needed me and that I had to go see him. I ignored the request, but a month later the message was clearer: 'Either you go see him, or you lose the year.'[sentence as published]"

After that conversation, the alleged terrorist claims to have visited the Envigado prison twice and says that those who visit Escobar clandestinely are transported on two white trucks parked in front of an Envigado hardware store.

"Caliche" also claims that during the trips to the prison, the organization sends a vehicle known as "The Fly" (La Mosca) to inform the drivers of any difficulties.

The alleged former member of the cartel claims that during the first visit, the drug lord told him he would take charge of the operations and of settling accounts with some people who owed him.

"He told me they would be easy jobs, intelligence tasks in Bogota and Cali. I told him I would think it over," says the letter.

During the second visit, Escobar allegedly ordered him to carry out intelligence tasks to get information about Gen. Maza Marquez, Gomez Padilla, Vargas Silva, and former Justice Minister Parejo Gonzalez.

The terrorist said that Escobar gave him 3 million pesos for the mission.

Paraguay

Rodriguez, Congress Support Venezuela's Perez

PY0502021692 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 2308 GMT 4 Feb 92

[Excerpts] Paraguayan President Andres Rodriguez has condemned the coup attempt in Venezuela. In addition, he and his Latin American colleagues have expressed their solidarity with Venezuelan President Carlos Andres Perez.

[Begin recording] [Rodriguez] Today at 0430 I received a phone call from Colombian President Cesar Gaviria asking me about the Paraguayan Government's position on the insurrection taking place in Venezuela. I expressed my full approval of a declaration that was drafted by almost all Rio Group member countries. The declaration was submitted directly to the Venezuelan Government.

I also spoke with the Argentine president, and we exchanged views. We have decidedly expressed our solidarity with President Carlos Andres Perez and his administration.

[Unidentified reporter] [words indistinct] Will your administration repudiate this incident?

[Rodriguez] Of course. All those who have signed the note that was submitted to the Venezuelan Government repudiate this incident. The note is signed by all Rio Group member countries and by other Caribbean countries. [passage omitted] [end recording]

In addition to the statement issued by the Rio Group, Rodriguez personally expressed his full support for the established order represented by Carlos Andres Perez, who was able to crush the revolt that occurred in the predawn hours of 4 February.

The text of the president's letter reads as follows:

Distinguished Friend: Even though I have already participated in a joint declaration with my Latin American

colleagues, I cannot fail to take this opportunity to personally express my solidarity and support for your presidency and for the democratic institutions that have been jeopardized by the attempted coup early this morning. There is no need to say that you can call me at any time if you need me if I can help you contact our neighboring colleagues or fulfill any other mission you believe necessary. I am not writing this letter just as a president, but as a sincere friend and admirer of your devotion to republican and democratic institutions. I remain at your service and convey to you a warm embrace.

Signed: Andres Rodriguez.

Regarding the attempted coup in Venezuela, the National Constituent Assembly, through its president, released a declaration repudiating the incident. The declaration was signed by all leaders of the different blocs. [passage omitted]

The Permanent Committee of Congress also released a declaration condemning the attempted coup in Venezuela. Sandino Gill Oporto [Colorado Popular Movement leader] told the Permanent Committee that he has decided to prepare a draft declaration condemning the attempted coup in Venezuela. [passage omitted]

Venezuela

Continued Reportage on Attempted Military Coup

Perez: Situation 'Under Control'

PA0502012492 Caracas Radio and Television Network in Spanish 2343 GMT 4 Feb 92

[Speech by President Carlos Andres Perez at Miraflores Palace in Caracas—live]

[Text] Venezuelans: Good evening to everyone. I come with deep sorrow, but with the determination of someone who knows that he has fulfilled his unavoidable duty toward the country and Latin American democracy. What happened at dawn and later on this morning has been terrible. We are sad and ashamed because Venezuela has made a name for itself in the world. The way in which all the countries of the world reacted—and I do not exaggerate—is a result of this position of respect and dignity that Venezuela's democracy and our Armed Forces have earned for themselves.

You should hear opinions at the United Nations. You should hear the officers of other Latin American and European nations who have shared peacekeeping tasks with the Venezuelan military in so many countries and continents of the world. You should hear how they talk about the Venezuelan soldiers. You should hear how they talk about the Venezuelan officers.

However, I must say that the Venezuelan soldier's honor and dignity has been equally vindicated on this difficult and tragic day. I must say, on behalf of all Venezuelans, that I appreciate and applaud the rectitude with which the vast majority of the officers and soldiers countered the dramatic alternative we have experienced. That is how the coup participants could be overpowered in a matter of hours.

The great news I bring to all Venezuelans is that all the outbreaks are under control and the participants in this shameful coup—which attempted to insult the honor of the Venezuelan Armed Forces—either have surrendered or been defeated.

That is why, as I said earlier, I am sorrowful. But I am also proud of our people one more time. I can state with full certainty that this will be the last time a situation like this arises in Venezuela—not because the president wants it, but because the Armed Forces and the people want it. The officers of our Armed Forces—the four Armed Forces branches—are fully aware of their duties and obligations. They are sorry, angry, and irate about what happened on 4 February. I make these observations with some emotion, because it really is what I have felt.

There is something much more painful: My wife and one of my daughters told me at La Casona that, when they approached one of the soldiers who came to attack La Casona, he shouted: I hope my mother never learns about this. I was brought under false pretenses. I never thought that one day I would come to attack your house, Mrs. Perez, or President Perez' house. That is how they were brought—under false pretenses. They were told that they were coming for some marksmanship tests at the shooting range, and they were brought to perpetrate this horrendous crime against Venezuelan democracy.

There is something else that makes us much angrier: The idea was not to seize Miraflores Palace or La Casona. The idea was to kill people in Miraflores Palace and at La Casona. La Casona was attacked with mortars to kill those inside. It was not attacked with rifles, which also were used to fight against the young men of the Honor Guard who refused to surrender and prevented anyone from entering La Casona. Several mortar rounds caused terrible damage, and fortunately, two of the rounds, which fell on the roof over the bedrooms, did not explode. I must say this because it would be evil or daring to try to justify in any way the action carried out by these unworthy officers and unworthy Venezuelans—because they were threatening Venezuelan democracy.

We must deplore the fact that seven Honor Guard members were killed and 24 were wounded in this unfortunate, unnecessary, useless, lowly attack on our national dignity. I want to read their names so they will be engraved in the Venezuelan people's minds: Second Corporal Elio Jose Gamboa, Honor Guard Miguel Escalona Rietti, and Honor Guard Jesus Alberto Gonzalez died at Miraflores Palace. Army Captain Jesus Alberto Santiago Carmona, Second Lieutenant Fernando Jose Cabrera Landaeta, National Guard Davis Pena Juarez, and National Guard Julio Pena Labrador died at La Casona. My heartfelt condolences to their

relatives, to everyone, and to the Venezuelan people. I pledge never to forget the names of these heroes who struggled so all Venezuelans could have peace, democracy, and dignity.

The following were wounded: Army Capt. Hector Volcanes Gonzalez, who was at La Casona and is in critical condition; and Air Force Capt. Eddy Jordan Azabache, who is no longer in critical condition. The following are out of danger and under medical observation: National Guard Lt. Angel Sosa Chacon, Sergeant Alexis Ascanio, Sgt. Jose Olivo, and Cpl. Richard Perian. Second Cpl. Antonio M. Lopez Quijada, unfortunately, lost half of his arm. Honor Guard Nelson Brache Parra is out of danger. These others also are out of danger: Honor Guards Ramedy Canache, Javier Laguna Torrealba, Gustavo Estamba Ramirez, Carlos Villanueva, Hermes Adrian Rojas, Jose Noguera Pulido, Miguel Gomez Daza, Danny Salazar Laverde, and Private Carlos Hernandez Herrera. The following already have been released from the hospital: Honor Guards Henry Almerida, Darwin Taborda, Wilmer Bastidas, Marcos Sosa Blanca, Gregorio Gonzalez, Luis Romero, and Oscar Lovera.

I take the time to give you these names, but I am not taking your time—I am telling you because all Venezuelans should honor these young Venezuelans who stood firm until the last moment and who prevented La Casona or Miraflores Palace from being definitely taken over by the criminals who tried to oust Venezuelan democracy.

We have made the decision to suspend constitutional guarantees. We made that decision after talking with the political parties, which have assumed an attitude honoring all Venezuelans. Their attitude, as they expressed early 4 February, was that at this moment there are no parties, no differences, no confrontations. There is only a single will, the Venezuelan will, to defend their democracy. That is how they responded and how they responded at the congressional meeting where the interior affairs minister went to submit the decree on the suspension of guarantees. The decree will be in effect for a short time. We need it to reestablish public order following the dramatic shock Venezuela has experienced.

I end my statement by telling you that Venezuelans should be proud, and it is certain that tomorrow you will be able to read in the newspapers the messages addressed to the Venezuelan people though their president. These messages were received from all over the world. There also were telephone calls from the chiefs of state of Europe, Asia, Latin America received here at Miraflores Palace.

The indignation over what happened here was incredible. We cannot imagine how these foolish individuals could be so anachronistic and ignorant, so hateful and greedy, that they failed to realize that the time for coups in Latin America is long gone; that military officers have joined the fatherland with honor; and that it no longer is possible to change governments in Venezuela unless it is through the polls. This is the truth: Democracy is a reality in our fatherland.

I wanted to bring these words of calm and tranquillity to you so Venezuelans can resume their normal activities: children can go to school, everyone can fulfill their duties, and we can resume our national life following these agonizing hours brought to us by evil, ignorance, and greed.

Good evening to everyone, and rest assured that we will continue to work here, tirelessly, for everyone's welfare. Rest assured that I will meet with various Venezuelan sectors to analyze these grave moments we have gone through so we all will become aware that it is our responsibility to make sure this does not happen again.

Finally, I want to express my appreciation to all Venezuelans who responded in such a generous and decisive way to encourage me in my responsibilities and to tell me that I must continue to fulfill my duties.

My appreciation to the political parties, in particular, and to all sectors of the country's productive sphere.

It is being said in the world—as an angry criticism over what happened early on 4 February—that the Venezuelan people are setting a great example of maturity in their full and complete solidarity with democracy and their government, as well as the calm and proud attitude that they have exhibited in the dramatic circumstances we experienced for a few hours, circumstances that no longer exist. Good evening.

Defense Minister News Conference

PA0402182392 Caracas Venezolana de Television Network in Spanish 1642 GMT 4 Feb 92

[News conference by Defense Minister General Fernando Ochoa Antich with unidentified reporters at the Miraflores Presidential Palace in Caracas—live]

[Text] [Ochoa] As minister of defense, I hereby report to the country the following: Early this morning, a group of units from the garrisons at Caracas, Maracay, Valencia, and Maracaibo rebelled against the legally established government, trying to seize the La Casona presidential residence and the Miraflores Presidential Palace for the purpose of assassinating the president. At this time, units loyal to the constitutional government control the situation throughout the country, where tranquillity and peace are beginning to prevail.

I call on the Venezuelan people to maintain order and confidence in the democratic system, in the the Armed Forces as an institution, and in the legally established authorities. I am now at your service to answer any questions you might have.

[Reporter] How many casualties have been reported?

[Ochoa] I do not have the exact number of casualties. Unfortunately, I must report to the country that there have been some casualties among the Armed Forces as of early this morning.

[Reporter] Who was involved?

[Ochoa] There is absolute normalcy at all military garrisons throughout the country. All the units that rebelled have surrendered to forces loyal to the constitutional government. The last rebel units—the Libertador Garrison, the Monagas group, and the Freitas group—have just surrendered to forces loyal to the constitutional government.

[Reporter] Who are the officers mainly involved?

[Ochoa] At this time, I cannot clearly state the names of the officers involved in this conspiracy. I can only state that initial investigations indicate Lieutenant Colonel Hugo Rafael Chavez Frias, Lt. Col. Jesus Miguel Ortiz Contreras, Lt. Col. Francisco Arias Cardenas, and Lt. Col. Francisco Urdaneta Rivas.

[Reporter] Are there any civilians involved?

[Ochoa] At this time, there are no civilians involved. Nonetheless, we must continue with the investigations to reach a conclusion. So far, only soldiers have been arrested.

[Reporter] What were the political reasons for wanting to assassinate the president?

[Ochoa] I do not know the reasons for this coupist attempt. I want to clarify that all military personnel involved in these actions will be turned over to the military courts where they will be punished to the fullest extent of the law.

[Reporter] Mr. Minister, how long will the constitutional guarantees be suspended?

[Ochoa] For the time required to normalize the situation throughout the country.

[Reporter] What is the curfew schedule, Mr. Minister?

[Ochoa] A curfew has not been established at this time.

[Reporter] Do you have any information about high-ranking officers, perhaps generals, being involved in this attempt?

[Ochoa] There are no suspicions of any higher-ranking officers—other than the ones I mentioned earlier—being involved in this rebellion.

[Reporter] Did military intelligence fail?

[Ochoa] The intelligence system did not fail inasmuch as we had the information available with sufficient time to enable us to adopt the measures to safeguard the life of....

[Reporter, interrupting] Was there a large mobilization?

[Ochoa] This was a significant conspiracy. However, we were able to report to the president in due time and protect his life, as you have seen.

[Reporter] Is it true that the president had very little security close to him?

[Ochoa] No, he did not have very little security. He had the normal security the president always has with him. The trouble is that armored vehicles attacked the Miraflores Palace.

[Reporter] Is there any threat that this might happen again?

[Ochoa] I do not think so. This is a regrettable moment for the Armed Forces that greatly concerns us. It must lead both the Armed Forces as well as the country to a serious analysis.

[Reporter] Mr. Minister, how could there have been so much movement and so many armored vehicles moved without the state intelligence organizations—at least the Armed Forces intelligence groups—detecting anything?

[Ochoa] Last night, before the president arrived in the country, we already had information that there was some sort of an abnormal situation in various garrisons. Measures were adopted to protect the president, and that is why he was able to leave La Casona on time before it was attacked. He then went to the presidential palace. What happened is that the presidential palace was attacked by an armored unit with a firing capacity greater than what normally protects the presidential palace. At any rate, and as you have seen, the honor guard troops and the presidential aides courageously fought to protect the president, and they managed to safeguard his life. The president was then able to leave the Miraflores Palace to address the country as he did.

[Reporter] How many honor guardsmen are wounded or dead, Mr. Minister?

[Ochoa] At this time, I do not want to give any figures, because I do not have that information. I also want to clarify that yours truly, the defense minister, from the very beginning personally directed the operations from the Defense Ministry. With the support of the high command, we managed to control the situation.

[Reporter] Mr. Minister, what lies ahead for the soldiers who rebelled against their own comrades in arms and who violated military law and the national Constitution?

[Ochoa] They will definitely have to face a court martial, where the penalties will be extremely high.

[Reporter] How about the soldiers who merely followed superior orders?

[Ochoa] The situation for those soldiers will have to be examined by the judges. Undoubtedly a majority of the soldiers were led to this situation without any clear information about what they were doing.

[Reporter] What is the maximum punishment that could be applied?

[Ochoa] Actually at this time I cannot recall what the maximum punishment is for military rebellion, but I believe it is 25 years.

[Reporter] Can Venezuelans now feel that democracy is safe?

[Ochoa] I believe that the Venezuelan people and leadership—as well the Armed Forces leadership—must thoroughly analyze the causes that led to these events.

[Reporter] Why do you think these events took place?

[Ochoa] It is difficult to analyze, but the country has been experiencing a deep crisis, and these events demonstrate the seriousness of the crisis.

[Reporter] Does the conflict with Colombia have a bearing in this situation?

[Ochoa] Actually, none of the rebel leaders with whom I spoke when I urged them to surrender mentioned that conflict.

[Reporter] Mr. Minister, why did they do it? The people want to know.

[Ochoa] They mentioned other issues. They primarily said that they did not feel truly satisfied with the manner in which the Venezuelan situation was developing.

[Reporter] What percentage of the Armed Forces rebelled against the institutions?

[Ochoa] We cannot talk about percentages. There were just some important units. However, the majority of the Armed Forces clearly obeyed their legally constituted commands. As you have observed, we have managed to control the situation with reasonable efficiency.

[Reporter] Mr. Minister, could the charges of corruption within the Armed Forces be connected with this?

[Ochoa] I do not think the corruption charges had anything to do with this, as these are always well received. On the contrary, I believe that the campaign against the various authorities in the country has been one of the elements that has led to such an action.

[Reporter] Who do you hold responsible for this campaign?

[Ochoa] I do not want to hold anyone responsible. I am only urging the country to reflect on these things. That is all.

Interior Minister on Coup

PA0402162592 Caracas Venezolana de Television Network in Spanish 1354 GMT 4 Feb 92

[Interview with Interior Minister Virgilio Avila Vivas by unidentified reporters at the Miraflores Presidential Palace in Caracas—live]

[Text] [Avila] I spent the entire night here at the Miraflores Palace, where our national Armed Forces unquestionably behaved in an exemplary manner. The situation in Caracas is totally under control; and the situation in the country has been totally controlled. The president has called on the coupists to surrender immediately. The national Armed Forces are acting firmly and decisively to stop, once and for all, the coup attempt that was made on the morning of 4 February, the purpose of which was to murder President Carlos Andres Perez.

[Reporter] Mr. Minister, what is the situation at La Carlota [words indistinct]?

[Avila] The situation at La Carlota is totally and absolutely normal. The Air Force general staff is at this moment on its way to Miraflores Palace.

[Reporter] What is the situation in Maracay?

[Avila] The situation has been controlled in Maracay and Valencia. There are still a few subversive groups, but they are being held at bay by the national Armed Forces. I would like to say to the entire Venezuelan nation that at this moment, and under these circumstances, all Venezuelan sectors, institutions, and political parties have undoubtedly displayed an exemplary attitude. There has been full adherence to democracy and to the government headed by Carlos Andres Perez.

[Reporter] Mr. Minister, what decisions will be made concerning guarantees?

[Avila] Within the next few hours, you will see a document that I will personally present to a joint session of the houses of congress.

[Reporter] Mr. Minister, did the Armed Forces alone participate in this coup attempt, or are civilians involved?

[Avila] From what I can see, it was clearly a small group—fortunately—of soldiers who took the mistaken path of a coup in order to deal a blow to Venezuelan democracy.

One thing is very important, and it fills all Venezuelans with pride: since last night, the president has received telephone calls from all of the Latin American presidents—from the presidents of Colombia, Chile, and Paraguay, and from absolutely all of the international and European organizations. At 0200 he received a telephone call from President Bush, who expressed the American people's solidarity with the Venezuelan people and their democracy.

[Reporter] [Question indistinct]

[Avila] I cannot say absolutely anything as yet. This is an issue the media will be informed of later. I must say, however, that the situation throughout the country is normalizing. It is important to point out that the exemplary conduct our Armed Forces have maintained throughout the incident has totally crushed this very unpleasant and regrettable coup attempt, which sought to murder the Venezuelan president.

The incidents at La Casona endangered the lives of presidential family members. Fortunately, the men of integrity who were guarding La Casona residence launched an offensive that prevented the attackers from entering the building. The same thing happened here at the Miraflores Palace. You can see the caliber of the bullets that were fired at the palace. I was here at the time with the president and Senator Alfaro Lucero. The firing went on continuously for approximately two hours. This is when the president decided to address the nation by radio and television, to inform the people of this shameful situation.

[Reporter] Mr. Minister, do you know who led this movement?

[Avila] We are currently finding out who the leaders were, and within the next few hours we will [words indistinct]

[Reporter] It is said that Army troops have surrendered.

[Avila] Yes, they just surrendered.

[Reporter] To conclude, Mr. Minister, once this coup has been controlled, what measures will the government adopt?

[Avila] The government will conduct an in-depth investigation and definitively punish those who are guilty of this shameful coup attempt against Venezuelan democracy.

[Reporter] Are any civilians involved, Mr. Minister?

[Avila] No, I do not believe so.

[Reporter] [Question indistinct]

[Avila] The president has just spoken to Dr. Oswaldo Alvarez Paz, who says there is a trend toward normalization in [words indistinct]

[Reporter] Mr. Minister, [words indistinct] who participated in this coup attempt?

[Avila] From what I can see, there were lieutenant colonels, majors, and captains.

[Reporter] What motivated these people to attempt to murder the president?

[Avila] As you can see, they wanted to destroy democracy and the system the Venezuelan people chose in free elections, whereby the president can fully exercise the mandate given to him by the Venezuelan people.

Rebel Leader Calls For Surrender

LD0402173892 Madrid RNE-1 Radio Network in Spanish 1700 GMT 4 Feb 92

[Excerpt] In Venezuela, Commander Hugo Chavez, leader of the group of rebel soldiers who staged the failed coup attempt in the early hours of this morning, has called on his followers in the country to surrender and lay down their arms. Chavez, commander of the Jose Rafael Chirinos paratroop battalion, delivered a televised speech from the Miraflores Presidential Palace, where he is under arrest. Hugo Chavez accepted full responsibility for the coup attempt and after thanking the rebels for their solidarity and courage, he acknowledged the failure of the rebellion.

Meanwhile, forces loyal to the Venezuelan Goverment are continuing to regain control of the last pockets of rebellion in the country, the Francisco Miranda airbase in Caracas and the garrison of the Paez barracks in Maracay. According to presidential sources, rebel redoubts only remain in the cities of Maracaibo and Valencia. Venezuelan President Carlos Andres Perez is meeting his Council of Ministers at the Miraflores Palace to analyze the situation created in the country following the failed coup attempt. [passage omitted]

More on Rebel Surrender

PA0402172892 Caracas Venezolana de Television Network in Spanish 1601 GMT 4 Feb 92

[Report by Jenny Silva]

[Text] It has been reported that the rebels surrendered in Caracas. This was confirmed in a television interview with the coup leader, Commander Chavez. As soon as the defense minister emerges from the presidential building, we will have a much more complete report on the facts.

Many stories have circulated at the Miraflores Palace on what happened here. It has been said that members of the presidential guard of President Carlos Andres Perez risked their lives to protect the president. This was indeed heroic because they were saving for the country everything represented by the investiture of the president, who is also the Armed Forces commander in chief.

The visit of many persons to the Miraflores Palace throughout the morning testifies to the full support of the country's active forces for President Perez. For instance, the political parties, the magistrates and lawyers, and the social, economic, and labor sectors have all come here to express their support for Venezuela's democratic system. An important point is that President Perez is about to conclude a meeting he has been holding since approximately 1030 with his top military command. Humberto Celli, president of the Democratic Action party, as well

as other figures of Venezuela's political circles and the ruling party, arrived at the meeting a few minutes ago.

Coup Leaders Sought Reforms

PA0502000092 Madrid EFE in Spanish 2236 GMT 4 Feb 92

[Report by Jose Bujanda]

[Text] Caracas, 4 Feb (EFE)—The group of military officers involved in a foiled coup in Venezuela on 4 February sought to create a civic-military movement that would "reorganize the country to eliminate bureaucracy and party rule."

Lieutenant Colonel Francisco Jose Areas, who led the foiled coup in Maracaibo, capital of the oil rich state of Zulia, stated, shortly after turning himself in, that they had expected that all Venezuelan people would support their movement.

The military officer said that groups of mid-ranking officers had created the so-called "Bolivarian 200 Revolutionary Movement" throughout the country months ago, adding that the organization respects the ideals of Liberator Simon Bolivar for the self-determination of nations and Latin American unity.

The lieutenant colonel, who held Zulia Governor Oswaldo Alvarez, a Christian Democrat, hostage for seven hours, also took control of the state's legislative assembly, the bridge over Lake Maracaibo, and the government palace. He has said: "I obey no one's orders."

"We are the people's Army and we feel equal to other citizens, who are tired of so much corruption and the economic crisis that afflicts the country. We are prepared to build the true country we all want," the officer stated. He led the coup and is under arrest at the Defense Ministry in Caracas.

The members of the "Bolivarian 200 Revolutionary Movement" tried to seize the country's four most important cities: Caracas, Maracay, Maracaibo, and Valencia.

The rebel units that acted in Maracaibo, Maracay, and Valencia surrendered shortly after learning from the rebel leader in charge of "assassinating" or at least arresting President Carlos Andres Perez at 1130 (1530 GMT) that the coup had failed in Caracas.

The man in charge of seizing Perez, whose life was spared twice because of the support he received from Defense Minister General Fernando Ochoa Antich, was Paratrooper Commander Hugo Chanvez, who was arrested and appeared on television to request the surrender of his fellow comrades who participated in the plot.

The best equipped unit in the country, an armored brigade comprised of approximately 4,000 men in command of AMX-30 combat tanks—Venezuela has 80, although many of them are inoperative because of bad maintenance—rebelled in Valencia, 150 km from Caracas.

Captains Arteaga, Valderrama, Yusti, and Godoy seized control of the unit after arresting its commander, General Jose Ferres, who remained loyal to the government. They clashed with the regional National Guard commando, resulting in three dead. The military surrendered at 1330 (1730 GMT) to a group of loyal officers who arrived from Caracas aboard a helicopter.

In Maracay, troops loyal to the government were able to convince rebel units who had taken control of the Paez Army Base to surrender at 1330 local time (1730 GMT).

According to unconfirmed reports, there were approximately 10 casualties. However, reports claim that the number of deaths could total several hundreds.

The factor that decided the failure of the coup attempt was the military high command's backing of Venezuela's constitutional government. The rebel movement was supported by captains, commanders, and some lieutenants colonels.

The coup failure also was due to Venezuelan President Carlos Andres Perez's ability to twice elude the rebels who were looking for him.

The first time Perez could have fallen into rebel hands was at midnight (0400 GMT) in the presidential residence of La Casona. The second occasion took place at the Miraflores Presidential Palace, when it was attacked by an elite armored unit.

Defense Minister General Fernando Ochoa Antich pointed out that, before President Perez's return from Davos (Switzerland) on the night of 3 February, military intelligence services had been able to detect "abnormal movements" in some garrisons.

According to Ochoa Antich, "We immediately notified the president, who was then able to escape both places before the rebels could find him."

Immediately after abandoning the presidential palace, Perez taped the first of his three television messages that inspired the population and decided the failure of the coup.

Arrested Paratroopers Say Tricked

PA0502040792 Caracas Venezolana de Television Network in Spanish 0018 GMT 5 Feb 92

[Report by Ricardo Mateus]

[Text] The paratroopers who were part of the rebel troops in the military coup attempt in Caracas, the middle states, and Zulia State were tricked into believing they were flying their usual maneuvers in El Pao District, Cojedes State. They did not realize they were joining an adventure to kill a head of state and take power by force.

Two paratroopers made that statement after they were arrested during a joint operation by the Metropolitan and Judicial Police. The police took this redoubt by surprise on Sucre de Catia Avenue. They were together

with over 60 men who were part of a contingent. The soldiers were regretful and fearful of the outcome of this foiled attempt to topple the constitutional government.

[Begin recording] [First unidentified soldier] I am not a part of this.

[Reporter] Are you sorry?

[Second unidentified soldier] I am not concerned about myself, but about my family and my mother, who are suffering.

[First soldier] We knew nothing. We were deceived.

[Reporter] Who deceived you?

[First soldier] Commander Hugo Chavez Fria.

[Reporter] How did he deceive you?

[First soldier] He told us this was going to be an air demonstration in El Pao for the Army general commander. [end recording]

While this was taking place on Sucre de Catia Avenue, snipers who positioned themselves on the upper area of the 23 de Enero neighborhood continued to harass public order forces who did not allow a demonstration to take place at the entrance of [name indistinct].

Several police convoys took over an area of the neighborhood and were able to control the agitators. There was some panic in the area surrounding the Francisco de Miranda Base, La Carlota neighborhood, when some paratroopers maintained their hostile attitude, firing at troops loyal to the government, but they too were subdued. The military troops loyal to the government used a successful strategy to subdue the rebels without bloodshed. During the night operation, the rebel soldiers fired at police patrols deployed on the Francisco de Miranda Avenue, near La Carlota, and destroyed the vehicles. Private cars that were also hit by the bullets were destroyed.

During that operation, the rebels tried to take over La Casona in La Carlota, but agents of the Directorate of Intelligence and Prevention Services [DISIP] and Miranda State's Sucre Municipality Police engaged them in battle, althougth these loyal agents were at a disadvantage. The following DISIP agents were killed there: Nelson Castaneda, John Cermeno, and Rafael Oramas. The following were wounded: Ramon Bastidas, Nelson Pinol, Jose Aaron, Fernando Roman, Gerson Jose Moro, Carlos Reyes, Robinson Navarro, and Sucre policeman Jose Gregorio Dalis. The rebels got as far as the DISIP office in Los Chaguaramos and blew up two police vehicles. Later the authorities raided two buildings on Sucre de Catia Avenue to seize weapons and capture other rebels. Meanwhile in the Valle Arriba Golf Club, the authorities landed a helicopter as a preventive measure. The rebels, who were subdued when they arrived in Caracas from Maracay, brought the weapons seized in two buildings on the Sucre de Catia Avenue.

Numerous Casualties Reported

PA0402223492 Paris AFP in Spanish 2047 GMT 4 Feb 92

[Excerpt] Caracas, 4 Feb (AFP)—The international community has unanimously condemned the military coup attempt in Venezuela on the night of 3 February that was suppressed on 4 February, according to official sources. According to statements by President Carlos Andres Perez, the coupists wanted to murder him.

Police sources, who asked not to be identified, said the coup attempt has reportedly caused at least 300 casualties. Official figures only report five military officers and a girl killed.

The uprising, according to Defense Minister Fernando Ochoa Antich, has been completely suppressed. The minister refuses to provide figures of people killed or wounded on 4 February "because the figures are not clear yet," despite his admission there is a considerable number of casualties. The only figure given so far is of five military officers killed.

According to the Enrique Salas, governor of Carabobo State, the military officers who staged the coup were reportedly linked to extreme leftwing groups. In addition, the radio station Radio Popular de Maracaibo said midlevel officers—colonels, majors, and captains—from the so-called Bolivarian Revolutionary Movement [Movimiento Revolucionario Bolivariano] are the coup leaders.

The congress agreed to suspend constitutional guarantees (no trespassing into homes, free transit, right to assemble, and freedom of expression) for 10 days.

"The forces loyal (to the government) have the entire country under control and calm, order, and peace once again prevail," Ochoa Antich said at 1700 GMT, even though an hour earlier there were reports of some centers of resistance in the Departments of Zulia (Maracaibo), Aragua (Maracay), and Carabobo (Valencia), which were being overflown by planes from loyal forces.

The defense minister excluded for the time being the participation of civilians in the uprising. Although he noted that he could not "clearly report the names of those involved," he mentioned officers Hugo Chavez, Francisco Arias, and Francisco Urdaneta Rivas as being responsible.

He said the rebels were primarily low- and mid-ranking officers and that no "high-ranking military officer" participated.

Police sources indicated that 40 coupist paratroopers were arrested after they surrendered.

According to radio station Radio Popular, from the oil-producing city of Maracaibo (700 km northwest of Caracas), mid-ranking officers—colonels, majors, and captains—from the so-called Bolivarian Revolutionary Movement are the leaders of this coup attempt. The

radio station reported on 4 February that in Maracaibo the rebel actions were being led by a colonel identified as Francisco Javier Arias Cardenas.

In addition youths, who said they supported the coupists, said leftist officers with a "nationalist and people's" program were the ones who started the coup. The Bolivarian Revolutionary Movement of the rebel officers is part of a trend that emerged within the Army a few months ago following discussions on sovereignty, the role of Armies in Latin America, and the country's economic and social problems, according to the statements made by the youths.

The aforementioned officers were reportedly particularly opposed to any cession of sovereignty, to the severe neoliberal economic program being implemented by Carlos Andres Perez for the past three years, and to the legal and judicial framework, which in their opinion "favors the impunity of the corrupt," they added. [passage omitted]

Communist Leader Comments

PA0402162492 Caracas Venezolana de Television Network in Spanish 1447 GMT 4 Feb 92

[Interview with Trino Melean, deputy and secretary general of the Communist Party of Venezuela, at the Venezolana studios, by unidentified reporter—live or recorded]

[Text] [Reporter] Good morning and welcome to our studios.

[Melean] Thank you for this invitation. I am here together with Dr. Pedro Ortega Diaz, president of the Communist Party of Venezuela [PCV], and Deputy Ricardo Gutierrez to comment on the latest developments that have shook the country.

As is public knowledge, we all knew this coup was coming. You journalists know this very well. I believe this is part of the political crisis, the institutional crisis, of the country.

Right now, it is very easy to condemn the coup, particularly a coup that apparently has failed. We had previously announced our stand with regard to coups as a mechanism to resolve the great problems that afflict the country. We defend the institutions, and we have greatly contributed in a very powerful manner to consolidating this democracy.

We have strong criticism to offer because this democracy that boasted that it is strong and respectable, is not. It is much less a social democracy. We strongly criticize this democracy, but we believe that there are means for changing this democracy and we want to change it for the benefit of the vast majority of the country.

We are aware of how past governments have ruled for the benefit of a minority, and this cannot continue. This has to be changed, and the entire nation needs credibility with regard to the possibilities and development of democracy. We, the Communists, believe that this military action against the Constitution is a desperate action as a result of the serious crisis the country is experiencing.

We are here to reaffirm our credibility in democracy and our firm determination to struggle for the solution of the big problems that affect the vast majority of Venezuelans.

[Reporter] Yes, it is definitely important to maintain this democracy that allows us all to express ourselves freely.

[Melean] We believe that it is necessary to maintain this democracy, but we must develop it and improve it. Millions of words have been said and thousands of pages have been written about the transformation and reorganization of the Venezuelan state. I believe that the Presidential Committee To Reform the State has done a tremendous job, but these are just mere illusions of a group of Venezuelans because this is a corrupt, squandering, and inefficient democracy. We believe this democracy must be thoroughly transformed if we want to strengthen it, uphold it, and really change and develop the country.

[Reporter] We thank Trino Melean, deputy and secretary general of the PCV, for coming to our studios.

Labor Leader Supports President

PA0402143692 Caracas Venezolana de Television Network in Spanish 1117 GMT 4 Feb 92

[Interview with Cesar Gil, acting president of the Confederation of Venezuelan Workers, CTV, by Venezolana de Television News Director Jenny Silva at Miraflores Presidential Palace in Caracas—live]

[Text] [Silva] What is the workers' position?

[Gil] I have been at the president's side from very early, since approximately 0200, when I heard about the coup. I am now in charge of the Confederation of Venezuelan Workers [CTV] presidency. I have offered the president my support and recognition and have placed the CTV and all of its member at the disposal of democracy. This democracy has truly cost the Venezuelan people a great deal, and it was attacked this morning by a group of criminals.

I would like to take advantage of this moment, not to condemn the coup but to say that this moment calls for reflection on the part of Venezuelans involved in public life. The political parties, and especially the media, should improve the manner in which they guide and channel their complaints and the manner in which they guide and channel the country. This is because actions such as today's are prompted precisely by scandals, daily diatribe, and accusations leveled against no one in particular—all of those things that are upsetting to the people.

At this moment, there is undoubtedly a disruption of public morale, of the morale that politicians, political

parties, and media should maintain. I believe this incident is a sharp awakening for individuals who are involved in social struggles, who serve the country. It is a moment for reflection.

Fortunately, the Venezuelan Armed Forces were created and raised in a democracy, which they are defending today. I congratulate them and hope they will continue on that path. To our soldiers, who are but sons of the Venezuelan people, I say they must not allow themselves to be deceived by individuals attempting to subvert constitutional order.

Oil Sector Repercussions Denied

PA0402174092 Caracas Venezolana de Television Network in Spanish 1117 GMT 4 Feb 92

[Interview with Celestino Armas, energy, mines, and oil minister, by reporter Jenny Silva at the Miraflores Presidential Palace in Caracas—live]

[Text] [Silva] Mr. Minister, what economic repercussions could this situation have for Venezuela, a country that has always been peaceful and has struggled for democracy in neighboring countries and even in countries outside our region such as South Africa, which Venezuela strongly supported and for whose people's freedom it has struggled? How would you interpret the situation?

[Armas] This situation is truly regrettable because of what it will do to Venezuela's democratic image abroad. It is a deplorable incident, and all of Venezuela rejects it. This unjustifiable subversive movement will undoubtedly inflict serious harm on our country's international image. Fortunately, as I said before, the widespread rejection of this coup attempt proves that our democracy is deeply rooted. As during other crises, I am sure the country will recover and regain the images of freedom and coexistence that have always characterized Venezuela.

[Silva] Do you foresee consequences for the oil market?

[Armas] No, absolutely not. I do not believe this incident will have repercussions in the oil sector. This is an eminently political issue that, in any case, did not in any way affect our country's oil installations.

[Silva] Mr. Minister, on a domestic level, could this be a warning from the people or a show of popular discontent over the country's current situation?

[Armas] The government is aware, of course, of popular sentiment in this regard. One of President Carlos Andres Perez' great concerns and decisions has been to carry out a social welfare program, a group of social measures to ease the possible impact of the economic adjustment measures, which had to be implemented for the benefit of the economy and for the future of the country. In implementing these measures, the president and his Council of Ministers have always kept in mind the need to ensure that the lower income groups are duly assisted. This is the democratic position held by the government and our party, and it will be maintained in the future.

Assurance on Food Supply Given

PA0502042392 Caracas Venezolana de Television Network in Spanish 0021 GMT 5 Feb 92

[Text] Agriculture and Livestock Minister Jonathan Coles condemned the developments that took place early this morning and urged housewives not to buy in a panic because there are plenty of supplies all over the country. Mr. Coles said everything is normal at the production centers, so people should not fear a food shortage. He appealed to housewives and consumers in general to buy in regular quantities.

[Begin recording] [Coles] We have been able to ensure that we have a full supply of our basic products. We have a more than 3-month supply of milk and a more than 2-month supply of poultry, meat products, and pasta. In sum, we have the basic foodstuffs consumed in Venezuelan homes. I want to assure housewives that we have taken steps so that stores that were partially closed can open safely because the situation is under control. I also want to say that we have taken measures to ensure that the trucks driving the foodstuffs from the industrial plants, which are operating at full capacity, are safely transporting basic food products to Caracas.

[Unidentified speaker] We believe and sense there is sufficient calm among the people. We have noticed it since last night in Caracas. We also think that in the days to come, once the remaining pockets of resistance are subdued, supplies will be at a normal level for everybody. For that reason, we must not raise fears or create a situation of panic that is unrealistic. [end recording]

Transportation To Be Restored

PA0502023092 Caracas Radio and Television Network in Spanish 0055 GMT 5 Feb 92

[Statement by Fernando Martinez, transport and communications minister, on 4 February; place not given—live or recorded]

[Text] Good evening. It is our duty to inform the public that, despite the deplorable incidents of the past few hours, we have been working very hard to restore public services. We have spoken directly with the country's associations of transportation owners and with state governors. I also contacted each director of the Transport and Communications Ministry and, based on all this information, we can guarantee that public transportation services will be back to normal on 5 February.

Urban, interurban, the Caracas metro system, the metrobus, and the various airports throughout the nation will be in full operation on 5 February.

All these efforts are being made to restore peace and normalcy to Venezuelans.

MAS Leader Supports President

PA0402135992 Caracas Venezolana de Television Network in Spanish 1156 GMT 4 Feb 92

[Interview with Pompeyo Marquez, secretary general of the Movement for Socialism, by Jenny Silva at Miraflores Presidential Palace in Caracas—live]

[Text] [Silva] We are again reporting from the front of Miraflores Palace. Here is Senator Pompeyo Marquez, an important leader of the Movement for Socialism [MAS]. How does MAS see this situation?

[Marquez] We had been saying for some time, since the rumors about the possibility of a coup started, that there are suitable conditions for a movement of this nature. We also have said that this kind of movement is not the way to resolve Venezuelan problems. We have said that whoever thinks of using the military to resolve the Venezuelan crisis is completely wrong. Latin America's experience, Venezuela's own experience, prove this.

Those of us who have endured dictatorships for many years know that the most imperfect democracy is better than the best dictatorship, which could appear at first glance to be a better administrator, to use a controversial term. The problems of Venezuelan democracy can be resolved by democratic development, by more democracy to resolve democratic deficiencies. In this regard, it is important to maintain this development, to defend institutionality and constitutionality.

President Perez is president because he was elected for a five-year period and President Perez has to complete his period. There is another element, the idea of an assassination, something that is damnable anywhere and that in Venezuela we must emphatically condemn.

To conclude: What the nation has to do is to think very carefully. The chief of state now has to assume more responsibilities. This military uprising has created a new situation; this makes it obligatory to make rectifications, to make changes. The president will have to talk with the nation to see what formulas we may find to face the most critical situation: the social situation, the degree of poverty being endured by a large majority in our nation.

[Silva] The secretary general of the Social Christian Party said here a few minutes ago that one of the factors that most contributed to the rebellion is a huge discredit campaign that has been waged against the democratic system, the fact that only the bad aspects of the system have been spotlighted, that the good and positive aspects of the system have been minimized, including the work that has been carried out lately. How do you see this situation?

[Marquez] Yes, this is true. What happens is that in recent years the inadequate conditions have become worse, and this is what the people notice. Among these inadequate conditions is one that must be mentioned: extreme poverty, the degree of poverty. This is the keystone of the problem. A democratic regime cannot function where there is so much misery, so much hunger, so many difficulties. This is why we have insistently told President Perez and his economic cabinet that the social and economic policy must have a turnabout to tackle the root of the problem, the problem I have just mentioned.

[Silva] In view of what has happened, does MAS back President Perez?

[Marquez] Without a doubt. He is the president of all Venezuelans. In this regard, there is no government party or opposition parties. President Perez must complete his presidential term. The president who is to replace him must be elected through direct, universal, and secret voting. This cannot be done through the imposition of force. This cannot be done by a military group that uses the weapons given to them by the people. Such a group cannot impose any kind of government on the Venezuelan people.

[Silva] Thank you, Pompeyo Marquez.

Ochoa on Arrests, Casualties

PA0502025992 Caracas Televen Canal 10 in Spanish 0148 GMT 5 Feb 92

[Text] Defense Minister Fernando Ochoa Antich said that 956 people have been arrested and 14 have been killed and 51 wounded. He said that, of the 900 [as heard] people arrested, only 133 are professional soldiers. The other high-ranking officers are lieutenant colonels in the Army. He told us how long the constitutional guarantees will be suspended. He noted that all those arrested have been turned over to the DIM [Directorate of Military Intelligence]. He stated that the coup attempt was not due to the Gulf of Venezuela issue. He added that Commander Hugo Chavez Fria's main objective was to kill President Carlos Andres Perez.

Ochoa admitted having information about a possible coup d'etat, but that it was not expected to be of this size. The Caracas, Maracai, Valencia, and Maracaibo garrisons were rebel strongholds.

[Begin Ochoa recording] Lieutenant Colonels Chavez Fria and Ortiz Contreras were implicated in a rumor about subversive activity. A rumor, in the armed forces, cannot compromise the record of an officer's service. It was necessary, I mean it is necessary, to have specific evidence against him, and such evidence did not exist. At this time, he is in the custody of the military courts. [end recording]

Minister Ochoa said that, if there are any new developments in these latest events that have shaken our country, he would present a new report within the next 24 hours. He added that all 900 [as heard] arrested are being held at military installations.

Fujimori, Perez Meet at Maiquetia Airport

PA0502124292 Lima Global de Television Network in Spanish 0100 GMT 5 Feb 92

[Text] A last minute news report from Caracas indicates that Venezuelan President Carlos Andres Perez met with Peruvian President Alberto Fujimori during the afternoon of 4 February, when our president made a stopover at Maiquetia Airport, near Caracas. Fujimori personally conveyed to his Venezuelan counterpart the support and solidarity of the Peruvian Government and people.

Chilean Ambassador on Post-Coup Situation

PY0502131292 Santiago Radio Chilena Network in Spanish 1000 GMT 5 Feb 92

[Phone interview with Ambassador to Venezuela Aniceto Rodriguez by unidentified Radio Chilena reporter in Caracas on 5 February]

[Excerpts] [Rodriguez] I would say that the situation is entirely normal. Working conditions are normal and urban transportation services, including the subway, are functioning. Press headlines report the deaths of 14 soldiers. The headlines add that 51 have been injured and that 133 officers and 956 soldiers have been arrested. [passage omitted]

There is an atmosphere of relief, and the people have unanimously rejected the coup attempt. The rebels have been arrested and will be tried. Fortunately, democracy has survived in this country, which is so important to Latin America. [passage omitted]

[Reporter] Could you please report on the situation of Chileans who are living in Venezuela? Have they had any problem?

[Rodriguez] No, there have been no problems. According to reports received yesterday, the nearly 45,000 Chileans living in Venezuela have had no problem whatsoever. [passage omitted]

Former President Makes Shocking Remarks on Coup

PA0402224492 Paris AFP in Spanish 2058 GMT 4 Feb 92

[Report by Jorge Calmet Wagner]

[Text] Caracas, 4 Feb (AFP)—Former Christian Democratic President Rafael Caldera (1969-74) shocked the Venezuelan Congress on 4 February by refusing to endorse an executive decree suspending constitutional guarantees, including freedom of press, and stated his doubts that the people who organized the coup sought to assassinate President Carlos Andres Perez.

A visibly upset Caldera—the leading presidential hopeful for the 1993 elections, according to a poll—urged Perez to launch the "in-depth rectifications the country demands," unequivocally referring to the harsh economic program that set off the "Caracazo" in February 1989.

Caldera confessed that "he was not convinced that the foiled coup sought to assassinate the president" because "no clear evidence" or "verifiable testimonies" were presented in the summary that military justice must have filed against the officers involved in the plot.

The president personally asserted to the country early this morning that the officers involved in the coup sought to assassinate him and this is included in the Executive Branch and Congressional decree approving the suspension of guarantees that rule human rights in Venezuela.

Democratic Action Senator David Morales Bello, a Social Democrat like Perez, said that "if it had involved a military movement to oust the president the participants would have perpetrated their actions while the president was out the country"—referring to Perez' arrival from Davos (Switzerland) at midnight [0400 GMT 4 February].

Caldera issued an appeal for caution in implementing the decree, to prevent excesses, particularly referring to freedom of the press.

He criticized the high cost of living, the lack of security, "the scourge of corruption," and the deficient public services—which he called "corrosive" factors—and he warned that "new and even more grave situations" will arise if the situation is not corrected.

Caldera said Venezuela is like a window on Latin American democracy, which has been checkmated by "situations of a high social cost that scare even the IMF leaders." He added that the window was "broken" during the "Caracazo" and it has been hit again by the butts of the rifles of the military who participated in the coup.

Poverty afflicts 88 percent of the country's population as a result of a 9.2 percent GNP in 1991. According to figures published by the independent PROYECTO VENEZUELA, 46 percent of the people live in extreme poverty and 42 percent live in relative poverty.

The survey reveals that the middle class has shrunk to 14 percent of the 20 million inhabitants in the country, and it reports a 30 percent illiteracy rate and 30 percent malnutrition among children between the ages of one and 10.

Caldera issued an appeal for the solidarity of industrialized countries' presidents who stated their support for Perez, including U.S. President George Bush and French President Francois Mitterrand. He emphasized that "we have achieved little progress" in Venezuela's recent years of democracy.

President Perez Meets With Several World Leaders

PA0202184892 Caracas Venezolana de Television Network in Spanish 0000 GMT 1 Feb 92

[Text] The heads of state have stated that the UN Security Council meeting in New York was held during a time of change, in which the Cold War ended and peace processes are on a good foundation, making it a priority to eradicate poverty, which is a hindrance to stable and lasting peace.

Within the circle of 15 members, the Venezuelan president sat next to U.S. President George Bush, with whom early on 31 January he held a protocol-free meeting, given the closeness of their relationship. At the meeting Perez and Bush were able to discuss openly the problems that Venezuela's nontraditional exports encounter on the U.S. market, as is the case with tuna.

[Begin Perez recording] The U.S. administration has displayed interest in helping resolve the problem. We have found a solution for cement, and we are now seeking a solution for the tuna problem, which the U.S. Government does, in fact, have legal limitations. My position is strong and the United States understands that the problem must be resolved, not only for Venezuela, but for Mexico and other countries facing the same problem. [end recording]

Perez and Bush also discussed the need to enforce the embargo decreed against Haiti and to reestablish peace on that island. Venezuela's position of leadership on the issue of the defense and protection of children was also recognized on 31 January. UNICEF Director James Grant received from President Perez, Venezuela's plan to protect our next generation. Grant insisted that Venezuela holds the lead position in the effort to resolve this problem; it has even surpassed the United States and Canada.

[Begin Grant recording, in English with simultaneous translation into Spanish] I am very pleased to talk with President Perez here at the Security Council. It was 18 months ago at the World Summit for Children that President Perez took a lead, and that was the first world summit and this is the second. Since the last summit, the World Summit for Children, President Perez has been a leader not only in Venezuela in following up on the promises, but he has been a leader in Latin America in getting other heads of state. [sentence as heard] For example, at the Iberian-American summit in Guadalajara, he spoke out very strongly for children.

Today, I look forward to hearing from President Perez about the plans to achieve the goals and to receive from him the document with the plans. [end recording]

For a 24-hour period, a presidential agenda seemed unnecessary. Economy, market, protectionism, and bilateral exchange were recurrent issues during the interviews that the Venezuelan president held on 31 January with the Austrian prime minister, French President Francois Mitterrand, and Chinese State Council Premier Li Peng.

From New York, President Perez will travel to Switzerland where, in the small town of Davos, he will attend the World Economic Forum, which is attended by virtually every country in the world. In Davos, President Perez will demand that the most developed countries end protectionism, which conspires against our region's nontraditional exports. He will also take advantage of the presence of businessmen, heads of state, and prime ministers to explain the investment advantages that Venezuela has to offer as a result of the privatization process.

Perez' delegation is formed by Development Minister Imelda Cisneros, Foreign Minister Armando Duran, Coordinating and Planning Minister Miguel Rodriguez, and Venezuelan Petroleum, Inc. President Andres Sousa Pietri.

Perez Addresses UN Security Council Meeting

PA0202183092 Caracas Venezolana de Television Network in Spanish 0000 GMT 1 Feb 92

["Excerpt" of speech by President Carlos Andres Perez at the UN Security Council meeting in New York on 31 January—recorded]

[Text] Venezuela has been and still is a decisive promoter of South-South relations among developing nations because it is convinced that it is in the best interest of all nations to overcome problems, such as the inequality of conditions and opportunities on which contemporary international society has been built.

A most fortunate East-West rapprochement and cooperation cannot be carried out at the expense of needed North-South rapprochement and cooperation. These are no longer national problems. Proof of this is the constant tension between models of global economic organization and new regional structures that tend to be exclusive and are threatening to create antagonistic, rather than competitive blocs.

I would like to quote a thought expressed in the annual statement issued by the Canadian Institute for Peace and International Security, which I consider especially timely and eloquent.

Quote: Can someone seriously conceive of a new world order formed by three closed, wealthy blocs holding economic daggers, serenely preaching democracy, market economy, and disarmament to a majority that is increasingly desperate? All of this in a world of natural systems that are overburdened with divergent values on the verge of exploding; massive, unparalleled migrations; and technical mass destruction weapons that are proliferating in every corner of the planet? Unquote.

We must deal with all of these threats in a democratic and legal manner. As is the case in every national society,

only the enforcement of the law will safeguard coexistence within an international framework, through a judicial system that will ensure international justice. In contrast to the situation in the period that is ending, the United Nations can no longer survive by neglecting history. It is fortunate that we are still able to guide and strengthen the United Nations. To do so, will undoubtedly require new forms of action that conform to new priorities, which we will decide on together. It is obvious, perhaps for the first time, that the United Nations is essential to all of us. We cannot and must not presume that things will be easy, but we must and can evaluate ways to resolve contemporary challenges, which will require confidence in the United Nation's leadership and organization, as well as decisionmaking mechanisms. Its governing principles should be the same as those that guided its creation, which have now been fully executed.

This is how I view the task of building peace, making peace, and maintaining peace. Thank you.

Perez Asks Developed Nations To Open Markets

PA0402020192 Caracas Venezolana De Television Network in Spanish 1550 GMT 3 Feb 92

[Text] President Carlos Andres Perez has said it is necessary for the developed countries to immediately open up their markets to developing countries. Perez stated this at a world economic forum in Davos, Switzerland.

The Venezuelan president said it is useless for our countries to undertake economic revolutions, reduce trade barriers, and eliminate import bans, if at the same time developed countries respond with unjustified discrimination and restrictions.

[Begin Perez recording] We hope negotiations with the developed countries will guarantee a new era in international economic relations, convenient for overall world economic growth. This proposal reflects our realization of the growing interdependence of the North-South economies, without a spirit of confrontation. It was made with the kowledge that to achieve development and world peace, the times require that the prosperous and wealthy economies do not remain shut off from millions of people who live in poverty.

Health, education, employment, culture, recreation, and housing needs must be met through economic development. The peace dividend generated by the end of the Cold War and subsequent arms reduction must be directed towards production activities. This will in turn create jobs and strengthen international cooperation.

We must act as partners, not adversaries, in planning for greater investment and economic growth. This is the only effective way to fight poverty, disease, and ignorance. [end recording]

* Copei Senator on Party Unity, Elections, Cuba

92SM0226B Caracas EL DIARIO DE CARACAS in Spanish 8 Jan 92 p 18

[Report on interview with Senator Pedro Pablo Aguilar by Orlando Utrera on 7 January in the Senate Office of the Committee on Agriculture and Agrarian Policy]

[Text] Senator Pedro Pablo Aguilar, in his present capacity as secretary general of the ODCA [Christian Democratic Organization of America], agrees with the existing world concern about the possibility of a warlike confrontation between the countries which formerly constituted the Soviet Union, since many of them face serious problems and have nuclear arsenals. This justifies concern in the world community about the outcome of their ethnic, political, and religious conflicts.

One of the fundamental objectives which Senator Pedro Pablo Aguilar has set out for himself as a political task during 1992 is making sure that Copei [Social Christian Party] does not go into the 1993 election campaign with both Rafael Caldera and Eduardo Fernandez as candidates for the presidency. He made this known during an interview which he gave on 7 January in his office at the Committee on Agriculture and Agrarian Policy of the Venezuelan Senate.

Aguilar also urged the political parties to try urgently to reach agreement on the voting system to complete the reform of the Voting Law. He said that the controversial system in effect in 1989 should not be used in the 1992 election of state governors, mayors, and regional and municipal council members. On the same occasion he called for reflection on the part of the political parties on becoming attuned to the changes occurring on the national scene.

At the same time and in his capacity as secretary general of the Christian Democratic Organization of America (ODCA) he hoped that humanity will not run the risk of a war between the republics which once made up the USSR, since many of them have numerous problems and also possess nuclear weapons. He asked Fidel Castro to hold elections in Cuba, using a system providing for political pluralism.

New Concept of Power

When Senator Aguilar was asked for his views on the opposition role which his party should play in the present context of popular discontent and which some people have considered rather "soft" toward the government, he made the following comments:

- "The most important task facing Copei is to interpret the new realities emerging on the political scene, because important changes have been taking place. Perhaps the most relevant of them is new attitudes and new demands on the part of the people."
- "The role of the political parties has been changing. Although they concern themselves with public opinion on political matters as their major task, the

social communications media are doing that in a more significant way. Another example is that, previously, the political parties were organizations established to mediate between society and the state. There are now many organisms and organizations which play that role."

- "Previously, the political parties developed projects and programs which served to give direction to state policies. Now that kind of activity is carried on, at times in a better way, in research institutes and centers, including some which are completely outside the political parties."
- "Then the very different identities which once distinguished government from opposition have gone through notable changes. This has happened to the extent that at this time any observer who would come to Venezuela, without knowing much about the country, would find it difficult to tell that AD [Democratic Action] is the government party. Furthermore, the process of decentralization which the country is going through makes Copei an opposition party at the national level and a government party at the level of several states."
- "This same comment could be made regarding many city administrations in the country. In my view a key fact in this whole process of change is the new perception of power which decentralization is generating, because we are beginning to see in communities and municipalities that there is greater interest in local government than in government at the national level."

He was asked: "Will these changes lead to a weakening of the political parties or their replacement by local movements?"

He replied:

- "In this process the parties have to be decentralized to adapt themselves to new realities. They cannot continue to depend on central offices in Caracas. They have to give greater autonomy to regional and municipal party units, because they must admit that at the municipal level movements of citizens are going to emerge which aspire to local, political power."
- "However, we are talking here and now of municipal elections. It would seem that the people do not attach much importance to the system which was approved to elect members of town councils and deputies in legislative assemblies. These people will be elected in districts where votes will be cast in terms of the qualities of the candidates. This will have the tremendous effect that there will be no more council members from outside the area."
- "In short the parties have to adapt themselves to the new reality, and that should be the commitment of Copei."

He was asked: "Do you agree with the system of single member districts under the reform of the Voting Law?"

He replied: "I agree with the concept of single member districts. However, we should not abandon proportional representation of minority groups. Here there is an error of perception, which consists of looking at all municipal councils as if they were like large municipal councils, the Caracas Municipal Council, for example. Throughout the country more than 70 percent of the municipal councils are small, having five to seven members. So in those organizations we must guarantee the representation of minorities which single member districts, as such, do not ensure. This is because those councils are organisms to control the administrative activity of the mayor. It would be unacceptable for the mayor and the municipal council, as the organism checking on his activities, to be from the same party."

He was asked: "And if the parties do not reach agreement on the voting system, would we have to vote in the same way as in 1989?"

He replied: "I think that the political parties must urgently seek an agreement giving the CSE [Supreme Electoral Council] time to implement the new voting system. If this does not happen, the elections will be held under the old system. All of us Venezuelans have serious questions about this sytem, because it is not the most suitable one for us."

A Universal Concern

Senator Pedro Pablo Aguilar is secretary general of the Christian Democratic Organization of America (ODCA). In this capacity he was asked about the process of disintegration of the Soviet Union and its repercussions on Cuba. He answered as follows:

- "The greatest concern of any human being, apart from his own political ideas, is the present danger of war between the states which once constituted the Soviet Union. This is because, despite the efforts which the world community is making and the statements by leaders of the former USSR, doubts, the risk of war, or the risk of violence and anarchy have not been dispelled."
- "And this fear is justified for the simple reason that in different regions of the former empire there are nuclear weapons, while the control and management of the armed forces and the authorities who are going to have custody and the power of decision on the use of those nuclear weapons systems have not been fully defined."
- "The entire world is interested in ensuring that those nations will be restructured peacefully, so that the volcano of national, ethnic, religious, and political differences which now shake that immense territory is not awakened. However, even now there are two, very explosive factors at work: inflation of a kind which the Soviets had never previously known and winter during the worst food production crisis which they have ever lived through."
- "If to this picture are added the disintegration of the republics and the tremendous, accumulated political

problems, these are more than enough reasons for world concern."

- "Regarding Cuba, Castro himself has already recognized the difficulties facing the Cuban economy in surviving without Soviet support. Lately reference has been made to an opening toward democracy on that island. In my view this is the very moment for the international community to make two very specific proposals to Castro. First, he should call sincerely and honestly for acceptable elections in an atmosphere of freedom for the people under a system of political pluralism and with a possibility for international organizations to supervise the process. Secondly, to respond to the universal call for the respect of human rights in Cuba."
- "Therefore, we democrats in Latin America cannot go on accepting the view that Cuba is an exceptional case. If Castro's principal argument is that the Cuban people support him, it would be a good thing for him to show this in free elections in which we can have confidence. If he wins these elections, the Cuban regime will have a right to demand recognition and cooperation from the democratic nations of America, including Venezuela, among others."

Copei Cannot Have 2 Candidates

As the interview came to an end, Aguilar was asked about his immediate objectives in 1992. He replied as follows:

- "The fundamental consideration is that some members of Copei, including myself, have the duty of making a very great effort to keep Copei alive. This is because the unity of the party, which is not a purely functional matter, is seriously threatened by the prospect that two social christians will be campaigning to be elected president of the Republic."
- "This situation is a threat, because it is not just two ordinary members of the party who are involved. One of them is the founder and historic leader of the party, and the other one is the party secretary general. So if we have to work in 1992 to ensure that Copei goes into the elections for state governors, mayors, and regional and local council members as a united party, we must also try to have a single social christian candidate for president in 1993."
- "I understand that this will not be an easy task. However, difficulty should not make us shrink from this effort. Quite to the contrary, it should stimulate us to make the maximum effort to achieve that objective. I say this in my position as a national leader of the party."
- "Regarding the office of secretary general of the ODCA, I think that conditions are right for the political movements inspired by Christian humanism to play a leading role in the politics of Latin America. I will direct my efforts as secretary general of the organization with that objective in mind."

* MAS Leader Marquez on Electoral Alliances

92SM0226A Caracas EL DIARIO DE CARACAS in Spanish 4 Jan 92 p 18

[Article by Ketty Rodriguez: "MAS Will Seek Electoral Alliances for 1992 and 1993"; first paragraph is editorial introduction]

[Text] Pompeyo Marquez, former president of the MAS [Movement Toward Socialism], considers that no political party, politician, leader, or trade union or employers' association has a solution to the problems facing the country. He states that the way to resolve this problem is to look for solutions which have the support of a solid majority.

In the view of Pompeyo Marquez, former president of the MAS, there is a way out of the present, political crisis, but on one condition: by means of agreements which enjoy the support of a solid majority. Therefore, party alliances will be the aim of the political line which the MAS will follow in 1992 and 1993.

He explained that this requires the participation of real leadership which, in his view, must be national in outlook. Marquez starts from the idea that in Venezuela there is no party, leader, or social, trade union, or employer organization which has a solution for the problems of the country. He indicated that this is the reason for seeking a way of coming together and reaching certain agreements.

He said: "The leadership in this country is out of touch with reality. It has a limited outlook which is not suited to the changes which the country needs. Therefore, we have said through the MAS that an effort must be made to send Venezuela a coherent and cohesive message."

He insisted that for this reason he is not just suggesting changes in the cabinet. The question is a readjustment within a readjustment. He added: "Yes, it is possible to get out of the present situation. To do this, it is essential to arrive at solutions which enjoy the support of a solid majority."

Range of Options for the Elections

In view of this outlook on party alliances, the founding leader of the MAS stated that in the forthcoming elections for state governors, mayors, and members of city and town councils in 1992 we have a range of options. He said: "The national leadership and the party executive committee have had several discussions about raising this issue. In this respect I can say that those party alliances will be as broad as possible, and they will try to come to terms with regional, local, and parish leaders."

In the same way he took advantage of the occasion to state that he would not seek election as mayor of Caracas, as he did in the previous election. In his place Teodoro Petkoff (who was a candidate for nomination to be president of the Republic on previous occasions) will be the MAS candidate for mayor of Caracas.

Regarding the 1993 presidential elections, Pompeyo Marquez stated that the MAS will follow the same policy. Nevertheless, he did not wish to go very deeply into this matter, and rumors about a possible electoral alliance with Copei [Social Christian Party] to support Rafael Caldera as presidential candidate in 1993 could not be confirmed.

He stated: "By December 1992 the political map of 1993 will be clear. In this connection we are going to use sporting language. First, we are going to win the 1992 game in order to get into the 1993 contest."

In this sense he said that the MAS was the only party which continued to gain support. He said: "That commits us and honors us, although we may pay dearly for our sins when a choice is made between the political parties. However, the fact is that the only party which continues to gain support is the MAS, and that has an importance which we do not underestimate."

He said that, under those conditions which favor it, "We will insist on preparing our political cadres to assume political and administrative leadership positions."

What 1992 Will Bring

He said that, although he did not wish to present a negative and extreme view of the situation facing the country, the process of impoverishment throughout 1992 will be terrible. In that connection he pointed out that among the announcements which have been made so far, early in 1992, are increases in the charges for all public services.

He indicated that the issue facing us is the concept of a "society where we live with the poor, where there are temporary assistance programs which are a kind of charity. Because the people were never in the minds of the planners."

He pointed out that it is a simple fact that no readjustment program was ever prepared in terms of human beings and that those temporary assistance arrangements were not part of a coherent plan. He added: "What was done was rather macabre, killing people by hunger, and I say this without any wish to be dramatic."

Pompeyo Marquez pointed to the problems of transportation, social insurance, medical care, and pensions (which he said were miserable). He also referred to inflation, to tax and budgetary matters, and to the contractual commitments made by the government, which amount to about 100 billion bolivares.

On the other hand he spoke of the direction of petroleum prices in 1992. In his view there will be no increases but, rather, "instability in the international market," a situation which will deteriorate in view of the differences existing between the Ministry of Energy and Mines and PDVSA [Venezuelan Petroleum, Inc.].

He said: "As a member of the Advisory Commission on Hydrocarbons, I wish to express my dissatisfaction with the way in which the commission is being treated. It is a longstanding custom that when a government body is established which turns out to be inconvenient to work with because of its large size, an effort is made to bury it. I think that we cannot continue with the present situation, which is marked by whims, caprices, hasty decisions, and arbitrary actions concerning a matter like taxation, which is of the highest importance to the country."

The Role of the President

Pompeyo Marquez holds the view that one of the most respected voices within the party, that of the president of the Republic, has no credibility or political standing to support him. That statement can be deduced from "the gap which exists between official statements and reality. What the president says does not fit the facts in the country."

Marquez was emphatic in suggesting to the president that he avoid the excessive optimism which is characteristic of him. He said: "Although it is true that a president cannot be the spokesman of pessimism, I would ask him to be a spokesman of realism, because if anyone knows what is going to happen in 1992, it is he."

Organizing to Survive

The MAS leader, in his own words, painted a picture of society characterized by social insecurity, a level of criminality which is overwhelming the security forces, an economic policy which is striking merciless blows at the immense majority of the people, and where anxiety, anguish, and fear are dominting the atmosphere.

Nevertheless, he drew a card out of his sleeve, referring to the possibility that the people must organize "to fight, survive, and resist the package of economic measures."

He also stated that it is necessary to move forward with the reforms which have been proposed. He said: "We cannot continue with the judicial branch of the government as presently constituted. We must move forward with the reform of Congress. Regional and local government must be strengthened. We must move forward with the process of decentralization and break up the concentration of political power."

He concluded: "In this respect the president must make some announcements and take initiatives to give the country a sign that he is saying that things can really change."